

# **NAVAL POSTGRADUATE SCHOOL**

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## **THESIS**

**THE AGREED FRAMEWORK AND KEDO: THE ROLE  
OF THE UNITED STATES IN KOREAN SECURITY**

by

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June 1999

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The U.S. should assess the goals of the PRC, ROK, DPRK, and Japan on the Korean peninsula to determine if a change in policy will enhance the probability of a soft landing by the DPRK. To conduct this assessment, the goals of all nations and the DPRK's nuclear ambition have been developed. A graphical summary of the subjective analysis was used to pick the U.S. policy option that shows the best credible and clear logic, and mitigates most effectively any international criticism that may dilute the sound reasoning of future policy. The U.S. should change its current policy to mediate the Korean dispute and increase the probability that all concerned actors meet their goals on the Korean peninsula.

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**THE AGREED FRAMEWORK AND KEDO: THE ROLE  
OF THE UNITED STATES IN KOREAN SECURITY**

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Submitted in partial fulfillment of the  
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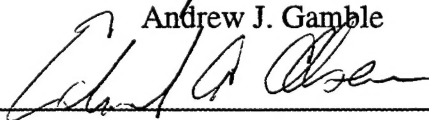
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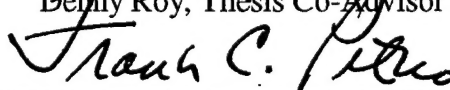
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## **ABSTRACT**

The U.S. is moving from a leading security guarantor of the ROK to a mediator of the Korean dispute. The U.S. should understand this fundamental change and adjust its relationship with the ROK and the DPRK to maintain the possibility of Korean reunification. The Agreed Framework is a deal between the U.S. and the DPRK to stop the DPRK's nuclear program in exchange for energy resources. The Agreed Framework forces the U.S. to go beyond its traditional ROK supportive policy to deal with the DPRK's nuclear ambition.

The U.S. should assess the goals of the PRC, ROK, DPRK, and Japan on the Korean peninsula to determine if a change in policy will enhance the probability of a soft landing by the DPRK. To conduct this assessment, the goals of all nations and the DPRK's nuclear ambition have been developed. A graphical summary of the subjective analysis was used to pick the U.S. policy option that shows the best credible and clear logic, and mitigates most effectively any international criticism that may dilute the sound reasoning of future policy. The U.S. should change its current policy to mediate the Korean dispute and increase the probability that all concerned actors meet their goals on the Korean peninsula.



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## EXECUTIVE SUMMARY

This thesis evaluates competing United States (U.S.) foreign policy options with regard to the 1994 Agreed Framework. The Agreed Framework is a contract between the U.S. and the Democratic People's Republic of Korea (DPRK or North Korea) to stop North Korea's nuclear weapons program in return for providing the DPRK with energy resources in the form of heavy fuel oil and light water reactors. Within this framework the Korean Energy Development Organization (KEDO) is the organization that will organize, fund, and build the light water reactors. KEDO is also the action arm through which ties will be created between the DPRK and KEDO's main supporters – the U.S., the ROK, and Japan. The Agreed Framework creates the additional U.S. obligation to go beyond its traditional ROK supportive policy to deal with the DPRK's nuclear ambition. Also, KEDO creates the DPRK obligation to go beyond its traditional policy adversarial to the U.S., to meet its energy needs and ensure its regime's security requirements.

This thesis will answer the following question: Is there a U.S. foreign-policy that will best enhance the probability of a soft landing for the DPRK and ease the Korean reunification process? The answer must acknowledge the goals of the DPRK, the ROK, the People's Republic of China (PRC), and Japan on the Korean peninsula. Also, the reality of the Agreed Framework and KEDO must be addressed. It is within this framework that the future role of the U.S. in Korean security was determined.

This thesis weighs seven foreign-policy options concerning the DPRK, the Agreed Framework, and KEDO. These U.S. foreign policy options range from a takeover of the process to complete disengagement from the Korean peninsula. To determine the effects of U.S. foreign-policy options, an analysis of the goals of each nation (Japan, the ROK,

the PRC, and the DPRK) on the Korean peninsula is conducted. Also, an explanation of the DPRK foreign-policy decision-making process is given to predict the effects of U.S. foreign-policy on the future of the DPRK nuclear problem, and the probability of a DPRK soft landing and Korean reunification.

Using the various theories and models, it is possible to develop a rational explanation for the DPRK's nuclear calculus. Each of the five theories presented only provides one piece of the puzzle that explains North Korea's nuclear calculus. Nuclear weapons proliferation should be viewed as the consequence of a combination of internal and external pressures, and domestic and international constraints. The DPRK's *Juche* philosophy and theological Kimism were aimed, and continue to be aimed, at one specific goal – regime survival. North Korea's need for security, acceptance of norms, influence by domestic actors and mythmakers, and cessation of nuclear activity for economic aid are all indicators of logical and rational nuclear decision-making by the DPRK government.

Qualitative policy evaluation is used to determine the goals of each actor in supporting the Agreed Framework and KEDO. Qualitative policy prescription through foreign-policy hypothesis-testing is used to determine the most likely U.S. foreign-policy option to facilitate a DPRK soft landing, necessary for successful Korean reunification.

An outcome matrix is used to analyze seven U.S. foreign-policy options. The decision-making process of each nation is used to develop the goals of each nation in support of, or in opposition to, the Agreed Framework and KEDO. The goals and decision-making process of each nation are then used to determine the actor's likelihood of supporting each U.S. foreign-policy option. An outcome matrix is used to summarize

the ability of each nation to achieve its goals under each of the seven U.S. foreign-policy options (Table 8, Chapter VII). The ability of each nation to achieve its goals under each U.S. foreign-policy option is graphically displayed (Table 9, Chapter VII) to determine the best option. This summary is a representation of my subjective evaluation of the ability of each nation to achieve its goals under each U.S. foreign-policy option.

The position of status quo (the current U.S. policy) is the least risky, but it is not the best option for the United States. The status quo position is ambiguous enough to allow the U.S. and the other actors political maneuvering room. This maneuvering room muddles the Agreed Framework, allows the DPRK to continue its "Squeaky Wheel" negotiating style, fails to build confidence in allies, and continues the disconnection between the ROK and the DPRK. Because the status quo policy involves the option of plausible deniability for the U.S., neither the ROK nor the DPRK will ever be convinced that the U.S. is serious about committing to conflict resolution. The best option for the U.S. is to mediate the Korean peninsula conflict. The mediate policy option produces the greatest possibility for all actors to achieve their goals on the Korean peninsula.

By continuing its ambiguous policy of completely honoring neither the Agreed Framework nor the Mutual Defense Treaty, the U.S. risks prolonging a potentially dangerous conflict on the Korean peninsula. The U.S. cannot merely announce that it is going to change its policy with regard to the Korean peninsula and expect something to happen. The U.S. should take certain calculated steps to ensure that both the ROK and the DRPK understand what the U.S. is doing and why the U.S. is doing it.

The U.S., the ROK, Japan, the PRC, and the DPRK should acknowledge the Agreed Framework's impact on the Korean conflict. Each actor should know and honor

its treaty and agreement obligations. The U.S. should state that its role in the Korean conflict is that of mediator. It can honor its security obligations with the ROK, while also fulfilling its contract to the DPRK as stated in the Agreed Framework. The U.S. Congress should fund the heavy fuel oil shipments to the DPRK. The U.S. should assure the DPRK that the light water reactors will be completed.

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## I. INTRODUCTION

The role of the United States (U.S.) in Korea continues to evolve. In August of 1991 both the Democratic People's Republic of Korea (DPRK or North Korea) and the Republic of Korea (ROK or South Korea) joined the United Nations. Soon thereafter all U.S. nuclear weapons were removed from the ROK. The ROK and the DPRK then made a declaration of denuclearization and agreed to reconcile their differences. As the international legitimacy of each Korean State grows, the security relationship between the U.S. and the ROK changes. This shift, in turn, modifies the relationship between the U.S. and the DPRK. The U.S. is moving from a leading security guarantor of the ROK to a mediator of the Korean dispute. The U.S., the ROK, and the DPRK must understand this fundamental change and adjust their relationship to maintain the possibility of Korean reunification.

The Agreed Framework signed by the U.S. and the DPRK is at the center of the new U.S.-ROK-DPRK relationship.<sup>1</sup> The Agreed Framework is a deal between the U.S. and the DPRK to stop North Korea's nuclear program in return for providing the DPRK with energy resources in the form of heavy fuel oil and light water reactors. Within this framework the Korean Energy Development Organization (KEDO) is the organization that will organize, fund and build the light water reactors. KEDO is also the action arm through which ties will be created between the DPRK and KEDO's main supporters – the U.S., the ROK, and Japan. The Agreed Framework creates the additional U.S. obligation to go beyond its traditional ROK supportive policy to deal with the DPRK's nuclear

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<sup>1</sup> The Agreed Statement between the U.S. and the DPRK was signed in Geneva, Switzerland on August 12, 1994 and encompasses two previous statements by the U.S. and the DPRK. Robert L. Gallucci and Kang Sok Ju signed the Agreed Framework on October 21, 1994. President Clinton followed up the Agreed Framework with a letter to Kim Jong Il pledging to "use the full powers of (his) office to facilitate arrangements for the financing and construction of a light-water nuclear power reactor project within the DPRK and, and the funding and implementation of interim energy alternatives for the DPRK pending completion of the first reactor unit of the light-water reactor project." All key documents are contained in Appendix II of Leon V. Sigal, *Disarming Strangers: Nuclear Diplomacy with North Korea* (Princeton, New Jersey: Princeton University Press, 1998).

ambition. Also, KEDO creates the DPRK obligation to go beyond its traditional adversarial U.S. policy, to meet its energy needs and ensure its regime's security requirements.

This thesis will answer the following question: Is there a U.S. foreign-policy that will best enhance the probability of a soft landing for the DPRK and ease the Korean reunification process? The answer must acknowledge the goals of the DPRK, the ROK, the People's Republic of China (PRC), and Japan on the Korean peninsula. Also, the reality of the Agreed Framework and KEDO must be addressed. It is within this framework that the future role of the U.S. in Korean security will be determined.

This thesis is important for three reasons. First, the argument proposed is current and it will remain relevant in the future. U.S. foreign-policy must be continually refined. Second, an appropriate level of intellectual debate must be maintained on U.S. foreign-policy to offer various perspectives on potential U.S. foreign-policy decisions. Third, since the Cold War ended, the U.S. has been raised to an unparalleled world-leadership position. U.S. foreign-policy decisions must show a credible and transparent logic to mitigate uninformed international criticism that may dilute the effectiveness of future policy.

This thesis weighs seven foreign-policy options concerning the DPRK, the Agreed Framework, and KEDO. To determine the effects of U.S. foreign-policy options, an analysis of the goals of each nation (Japan, the ROK, the PRC, and the DPRK) on the Korean peninsula is conducted. Also, an explanation of the DPRK foreign-policy decision-making process is given to predict the effects of U.S. foreign-policy on the future of the DPRK nuclear problem, and the probability of a DPRK soft landing and Korean reunification. Qualitative policy evaluation is used to determine the goals of each nation in supporting the Agreed Framework and KEDO. Qualitative policy prescription through foreign-policy hypothesis-testing will be used to determine the most likely U.S.

foreign-policy option to facilitate a DPRK soft landing, necessary for successful and peaceful Korean reunification.

I use an outcome matrix to summarize the ability of each nation to achieve its goals under each of the seven U.S. foreign-policy options (Table 8, Chapter VII). The decision-making process of each nation is used to develop the goals of each nation in support of, or in opposition to, the Agreed Framework and KEDO. I use the goals and decision-making process of each nation to determine the nation's likelihood of supporting each U.S. foreign-policy option. I convert my subjective evaluation of each nation's ability to achieve its goals under each U.S. foreign-policy option into a positive, neutral, or negative rating. If a nation can achieve most of its goals, then a positive rating is indicated. If a nation cannot achieve its goals, then a negative rating is indicated. If a nation can achieve some goals and not others, then a neutral rating is indicated. The ability of each nation to achieve its goals under each U.S. foreign-policy option is graphically displayed to determine the best option (Table 9, Chapter VII). This summary is a representation of my subjective evaluation of the ability of each nation to achieve its goals under each U.S. foreign-policy option. The U.S. foreign-policy option with the greatest number of positive ratings is the best option for the U.S. to pursue.

This thesis is organized into eight chapters. Following this introduction, the second chapter explains the basic facts necessary to understand the situation. The second chapter introduces the DPRK decision-making process by analyzing the historical factors that influenced the process and by evaluating the current theories on nuclear proliferation surrounding the nuclear program. It is important to develop the DPRK nuclear decision-making process to understand North Korea's rationale. If the U.S. understands the DPRK's behavior, then policy options in response to such behavior will be clear, precise, and devoid of potential misperception. The third chapter describes the recent history surrounding the DPRK's nuclear ambition, the U.S.-DPRK Agreed Framework, KEDO, and the current political dynamic of the Korean peninsula.

The fourth chapter justifies the selection of each nation and analyzes each nation's goals concerning the Korean peninsula. The U.S., the PRC, the ROK, the DPRK, and Japan are analyzed. The fifth chapter considers seven U.S. foreign-policy options concerning the future of Korean security. The sixth chapter presents a cost-benefit analysis of each U.S. foreign-policy option considering the goals of each nation and each nation's ability to achieve its goals. If a nation can achieve its goals, then it is expected to support the U.S. foreign-policy option that will allow it to achieve its goals. If a nation cannot achieve its goals under a U.S. foreign-policy option, then it will not support that policy option. If a nation achieves some of its goals under a U.S. foreign-policy option, then it will neither support nor attack that policy option.

In chapter seven, I use a matrix to graphically represent my subjective evaluation of the ability of a nation to achieve its goals under each U.S. foreign-policy option so that the best one can be recommended. The eighth chapter proposes a U.S. foreign policy that will satisfy U.S. goals while minimizing the impact on relations with the other concerned actors. The eighth chapter also concludes with a recommendation for future areas to be studied.

While a majority of the data for this thesis was gathered through Naval Postgraduate School resources, some of the research was conducted at Stanford University, the University of California at Berkeley, and the National Defense University Asia-Pacific Symposium 1999. Primary sources include official statements from both U.S. Departments of State and Defense, and their foreign counterparts, and U.S. Congressional records. These documents provided first-hand accounts of meetings and agreements, as well as official and unofficial state positions. Secondary sources included contemporary literature on nuclear proliferation, state diplomacy, and international-relations theory. Also, newspapers and periodicals were used to analyze each actor's goals regarding the Agreed Framework and KEDO. Primary source information about the DPRK's decision-making process was not available because of the closed nature of the

North Korean bureaucracy. Therefore, this thesis relies on theories and secondary accounts when analyzing the DPRK decision-making process and the DPRK nuclear ambition.



## II. NORTH KOREA DECISION-MAKING

### A. METHODOLOGY

North Korea has been and continues to be described as a "Hermit Kingdom" because of its government's reclusive and secretive nature, which is reminiscent of the late Yi Dynasty's isolated style.<sup>2</sup> The DPRK continues to be governed by what many U.S. policy makers call a rogue government prone to irrational behavior. The decision-making process of the government of North Korea remains opaque. If the U.S. is to continue to engage the DPRK in meaningful dialogue concerning North Korea's nuclear program then the U.S. must make an attempt to understand the decision-making process of North Korea. The U.S. can then develop a meaningful bargaining strategy by which to engage the DPRK based on North Korean goals. Contrary to U.S. belief however, the DPRK's decision-making is not irrational. The U.S. has failed to understand the means and ends of the North Korean State and its rational and self-interested decision-making process.<sup>3</sup>

The U.S. cannot adjust its methods of engaging the DPRK in order to reach its goal of a nuclear-weapons incapable North Korea without first understanding the rationale behind the DPRK's nuclear ambition. There are a number of ways to get inside the black box of DPRK decision-making, but few of them are realistic. Without experiencing what Kim Il Sung did during the Korean War, without having been threatened by nuclear weapons without a nuclear response, and without having faced overwhelming conventional forces, the U.S. cannot understand North Korea's nuclear ambition, especially as a decision-maker. What is possible, though, is to use existing nuclear-weapons-proliferation theories, or models, to generate hypotheses about what

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<sup>2</sup> Congress, Senate, Committee on Foreign Relations, *North Korea Nuclear Agreement: Hearing by the Committee on Foreign Relations*, 104<sup>th</sup> Cong., 1<sup>st</sup> sess., 24 and 25 January 1995, 2.

<sup>3</sup> Denny Roy, "North Korea and the 'Madman' Theory," *Security Dialogue* 25, no. 3 (September 1994), 2.

drives the DPRK to possess nuclear weapons. In doing so, a clear understanding of North Korea's logic and its rational nuclear weapons behavior may appear.

Four sections will be used to present the DPRK's nuclear ambition. The first section of this chapter will reconstruct the foundations of the North Korean decision-making process by analyzing three factors. First, the role of Kim Il Sung will be reviewed to establish the impact of his leadership on the decision-making process. Second, the role of the Chongsanri economic reformation will be studied to assess the fundamental impact of this program on the decision-making process of North Korea. Third, the history of *Juche* will be reviewed to establish its legacy as the North Korean belief in self-reliance.

Following a review of the underpinnings of North Korean decision-making, an analysis of the DPRK's nuclear ambition will be conducted in the second section to explain the rationale behind such an undertaking. The DPRK's nuclear decision-making process will be analyzed by reviewing current nuclear proliferation theories and models. In the third section the points of the two previous sections will be brought together to explain North Korea's nuclear rationale. Finally, the DPRK's nuclear rationale will be explained by linking proliferation theory with the historical underpinnings of their decision-making process. This explanation will then be used to propose North Korean goals for such a nuclear ambition and show that North Korea's nuclear ambition is driven by rational choices made by a self-interested and self-reliant state.

## **B. BACKGROUND**

While Bruce Cumings has described the nature of North Korean socialism as similar to the totalitarian form of governance characterized by Thomas Moore in *Utopia*, this provides only a cursory description of the invasive character of the North Korean

State.<sup>4</sup> Two questions must be answered to address the North Korean nuclear weapons decision-making process. First, what helped shape the DPRK's unique form of socialism? Second, how is this strange socialism reflected in North Korea's nuclear ambition? It is important to answer these questions in order to understand the rational behavior that has guided and continues to guide the DPRK's nuclear ambition. Both the traditionalist and revisionist views of the nature of the North Korean State will be merged to find the middleground.<sup>5</sup> There are three factors that define the history of North Korean decision-making: 1) Kim Il Sung's leadership style, 2) the Chongsanri and Taean economic programs, and 3) the *Juche* ideology.

### 1. Kim Il Sung: The Great Leader

First, Kim Il Sung as the leader and developer of the North Korean state has uniquely defined the decision-making process of the DPRK. There are two noteworthy Kim Il Sung influences that shaped the DPRK. First, Kim was an anti-imperialist revolutionary bent on rebuilding the Korean State in his image. Kim fought in Manchuria before and during World War II to expel the Japanese and free Korea. His belief that one must fight for one's freedom was forged in his early years. Kim is rationally independent and self-reliant, and this is reflected in his state today.<sup>6</sup> Second, Kim was a trained Soviet-style Communist. His early indoctrination in the Communist system occurred while working as a revolutionary and fighting the Japanese occupation of Manchuria.<sup>7</sup>

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<sup>4</sup> Bruce Cumings described the North Korean State as similar to that characterized by Thomas Moore in *Utopia* at a lecture at the University of California, Berkley in February 1999. This same description will be used in his forthcoming book.

<sup>5</sup> Traditionalists see Kim as manipulated by Communism while revisionists say that Kim had a greater degree of choices and autonomy. For a complete explanation of each view see Ilpyong J. Kim, ed., *Two Koreas in Transition: Implications for U.S. Policy* (Rockville, Maryland: In Depth Books, Paragon Publishers, 1998), 18-28.

<sup>6</sup> Bruce Cumings, *Korea's Place in the Sun: A Modern History* (New York: W. W. Norton and Company, 1997), 160-161.

<sup>7</sup> Carter J. Eckert and others, eds., *Korea: Old and New: A History* (Cambridge, Massachusetts: Harvard University Press, 1990), 313.

Communist training provided Kim with the socialist dictatorial leadership style that is prevalent in the DPRK's system of government today.

The DPRK has a single official ideology, a single mass party led by one man, a monopoly on the media, a monopoly on the effective use of all weapons of armed combat, a centrally planned command economy, and the control of law.<sup>8</sup> Clearly then, Kim Il Sung, and now Kim Jong Il, are nothing short of totalitarian dictators. If Kim Il Sung was a totalitarian and he influenced the DPRK government, then there is a basis by which to understand the decision-making process of the DPRK.

Although many of the decisions of the DPRK government are quite disturbing, they are also understandable. The necessity for a single official ideology, a monopoly on the media, a centrally planned economy, and the control of law are all rationally driven by a state regime that must survive in a hostile inter-Korean environment and international community. The greater the perceived threat to a regime, the greater the totalitarian response will be to ensure regime survival. This is a rational and self-interested decision guided by the independent and self-reliant revolutionary Kim Il Sung.

## **2. The Chongsanri Method**

The second factor that has shaped the DPRK State is the Chongsanri economic reformation program. This system or method grew out of Kim's early Korean State notion that the worker's interest must be in the state and that the state's interest must be in the worker. Kim developed this idea when he was politically battling other communists for control of the forming North Korean State. Kim argued that to allow trade unions would cause the worker to be self-interested and the state to be union-interested.<sup>9</sup> The state and

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<sup>8</sup> Carl Friedrich and Zbigniew Brzezinski, *Totalitarian Dictatorship and Autocracy*, 15-27; quoted in Hakjoon Kim, "The Nature of the North Korean State," in *Two Koreas in Transition: Implications for U.S. Policy*, ed. Ilpyong J. Kim (Rockville, Maryland: In Depth Books, Paragon House Publishers, 1998), 19.

<sup>9</sup> Martin Hart-Landsberg, *Korea: Division, Reunification and U.S. Foreign Policy* (New York: Monthly Review Press, 1998), 143.

the worker would fail to act in unison if a trade union existed to split them. The Chongsanri method centralizes control of the worker with the government.

The Chongsanri method was put into effect in 1965, ten years after Kim's coining of "*Juche*" as state ideology, and is celebrated as top-down management by the DPRK State. In a 1990 speech Vice President Pak Sung Chul described the Chongsangri method as "the best way to effectively administer society and successfully accelerate socialist construction."<sup>10</sup> As Hart Landsberg puts it:

The higher bodies help the lower... The superior assists those under him and always goes down to the workplace in order to have a good grasp of the specific conditions there and to find correct solutions to problems, gives priority to political work, works with the people in all undertakings, and enlists the conscious enthusiasm and initiative of the masses as to assure the fulfillment of the revolutionary tasks.<sup>11</sup>

The Chongsanri method was a "collective management system in which a number of lower work-unit contracts became the primary production units."<sup>12</sup> This changed the decision-making structure of the DPRK government. Smaller production units raised the worker's sense of responsibility to provide for the nation and co-opted the individual into the system. While the worker felt more empowered, the actuality was that the government became more invasive and centralized.<sup>13</sup>

The Chongsanri method was an agricultural system and the Tae'an system, an industrial reform program, was introduced as a counterpart. The Tae'an system was developed to enhance communication between the worker and management. Enhanced communication was created through the use of "on-the-spot" guidance. This solution to

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<sup>10</sup> Martin Hart-Landsberg, 143.

<sup>11</sup> *Ibid.*, 167.

<sup>12</sup> Ilpyong J. Kim, 54.

<sup>13</sup> Martin Hart-Landsberg, 55.

industrial production problems was developed by Kim Il Sung and focused on centralizing production.<sup>14</sup> Again, the North Korean government was becoming more invasive and centralizing its power by forcing the decision-making process up the chain of command to the top: "Kim was committed to a hierarchical notion of decision-making."<sup>15</sup>

### 3. *Juche* Ideology

The third factor that shaped the North Korean decision-making process is the *Juche* ideology. In short, *Juche* is the North Korean belief in self-reliance. Kim Il Sung introduced *Juche* in December 1955 as the guiding principle of North Korean decision-making to offset the growing influence of Stalin. Suh Dae Sook, Kim's biographer, went as far as to say that *Juche* was Kim's "effort to find Korean identity as a counter-weight to Soviet influence."<sup>16</sup>

There are two factors within *Juche* that have influenced the North Korean decision-making process. First, *Juche* means self-reliance, but its meaning has changed over the years. When Kim first introduced the concept *Juche* was simply an expression of Kim's criticism of what he saw as mindless devotion to ideas Soviet. He urged people to look to their history for motivation in the face of uncertainty. Over time the meaning of *Juche* changed as Kim advocated national self-sufficiency and self-reliance. Although self-sufficiency might contradict the ideas of the Chongsanri Method, Kim solved this problem with a simple explanation:<sup>17</sup>

The party resolved the apparent contradiction between hierarchical decision-making and self-reliance by using the following reasoning:

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<sup>14</sup> Martin Hart-Landsberg, 56.

<sup>15</sup> *Ibid.*, 167.

<sup>16</sup> Dae-Sook Suh, *Kim Il Sung: The North Korean Leader* (New York: Columbia University Press, 1988), 143; quoted in Michael J. Mazarr, *North Korea and the Bomb* (New York: Saint Martin's Press, 1995), 22.

<sup>17</sup> Martin Hart-Landsberg, 166-169.

according to *Juche*, people can, under the right condition, overcome any problem. The right conditions exist when people correctly understand the nature of the problems they face and when they are able to join together with others to solve them. Since it is difficult for people on their own to gain clarity as to the true nature of their situation, much less organize collectively in response to this understanding, they need the party's guidance to help them overcome their problems. The party, as a collective organization, is not only capable of correctly analyzing and proposing solutions to problems, it is also able to organize people to implement them. The party, in turn, is able to carry out its mission only when it relies on the wisdom of its leader, the chairman of the party.<sup>18</sup>

Hierarchy and self reliance were fit together in a way that strengthened Kim's control over the party and the party's control over the society.<sup>19</sup>

Second, there is a military application of *Juche*. The military component of *Juche* is *Jawi*. *Jawi* is simply the principle of military self-defense. *Jawi* requires that North Korea, and the North Korean people, build and rely on their own military forces without the help of outside powers.<sup>20</sup> As Kim Il Sung's understanding of nuclear weapons developed he decided to apply *Juche*, and the idea of *Jawi*, to explain the necessity of developing a self-sufficient nuclear weapons program. By undertaking a nuclear weapons program Kim believed that the DPRK might increase its self-reliance, strengthen *Juche* domestically, and become a world power able to autonomously defend against a U.S. threat.

### C. NUCLEAR DECISION-MAKING

There are numerous motives for a non-nuclear state to develop nuclear weapons. The end of the Cold War may have changed the belief that nuclear weapons had

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<sup>18</sup> Martin Hart-Landsberg, 167.

<sup>19</sup> *Ibid.*, 167.

<sup>20</sup> Dae Sook Suh, 137-145.

conventional utility or that conventionalization may just be coming into fashion. The U.S. and the Former Soviet Union have reduced their nuclear stockpiles. Additionally, four nuclear-weapons states have agreed to stop nuclear weapons testing. The reduction of stockpiles and the cessation of testing decreased the status associated with possessing nuclear weapons and increased the perception that nuclear weapons "are little more than elaborate and expensive anachronisms."<sup>21</sup> Nuclear weapons appeared to have lost their appeal, but then India and Pakistan shocked the no-use supporters by detonating a series of test weapons.

Five theories, or models, that exist in the literature will be used to explain the DPRK's nuclear ambition. Each of these theories, or models, of proliferation operates at one of four levels: 1) International, 2) Domestic, 3) Decision-making, or 4) Multiple levels. The five theories, or models, are as follows: 1) Sagan's Security Model, 2) Sagan's Domestic Politics Model, 3) Lavoy's MythMaker Model, 4) Solingen's Political Economy Theory, and 5) Sagan's Norms Model.<sup>22</sup> As for North Korea's nuclear calculus, it remains opaque and officially unexplained. Each of the five theories will be used in an attempt to analyze the DPRK's nuclear ambition and explain North Korea's nuclear calculus.<sup>23</sup>

### **1. Sagan's Security Model**

Sagan's security model is based on the neo-realist belief that the organization of a state in the international environment determines a state's security measures.<sup>24</sup> According to Sagan, a state will build nuclear weapons when it has no other means to balance

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<sup>21</sup> Mitchell Reiss, *Bridled Ambition: Why Countries Constrain Nuclear Capabilities* (Washington, D.C.: Woodrow Wilson Center Press, 1995), 2.

<sup>22</sup> While the theories presented are known in more general terms, I have chosen to associate them by name with the author proposing, or explaining, the theory.

<sup>23</sup> Tanya Ogilvie-White, "Is there a Theory of Nuclear Proliferation? An Analysis of the Contemporary Debate," *The Nonproliferation Review* (Fall 1996), 43-60.

<sup>24</sup> Scott D. Sagan, "Why Do States Build Nuclear Weapons?," *International Security* 21, no. 3 (Winter 1996/97), 57.

against an emerging nuclear or conventional threat to its security. It is the perception of the size of the threat that determines the nuclear response by a threatened nation. Sagan's security model is based on Kenneth Waltz's neorealist systemic explanation of how the structure of the international system determines state outcomes. "(S)tates exist in an anarchical international system and must therefore rely on self-help to protect their sovereignty and national security."<sup>25</sup>

As for North Korea, Sagan's security model suggests that "states build nuclear weapons to increase national security against foreign threats, especially nuclear threats."<sup>26</sup> The DPRK has been threatened by U.S. nuclear weapons on seven occasions.<sup>27</sup> When the Cold War ended, North Korea lost its implied nuclear backing from the Soviet Union. Thus, the DPRK may have decided to develop nuclear weapons for two reasons. First, North Korea had to balance the threat of the U.S. nuclear umbrella over the ROK. With such a nuclear umbrella the ROK may have seemed more likely to launch an attack on North Korea. Second, North Korea had to balance the perceived threat of U.S. tactical nuclear weapons based on South Korean soil. The international system had changed from bi-polar (or multi-polar) to uni-polar, and North Korea decided to develop nuclear weapons because it wanted to be self-reliant. The logic is that a change in the international system caused a change in the North Korean nuclear calculus.

Although this security model is parsimonious, it fails to look inside the nation to understand the dynamics of the North Korean decision-making process. This theory makes the assumption that North Korean action is transparent and links directly to the security environment. Also, the theory uses backward linkage to explain the decision process: North Korea decided to develop nuclear weapons because the U.S. posed a security threat to North Korea. This thinking would lead one to believe that when the U.S.

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<sup>25</sup> Scott D. Sagan, 57-59.

<sup>26</sup> Ibid., 55

<sup>27</sup> Leon V. Sigal. *Disarming Strangers: Nuclear Diplomacy with North Korea* (Princeton, New Jersey: Princeton University Press, 1998), 20.

removed nuclear weapons from the ROK and gave a negative security guarantee to the DPRK that the North Korean nuclear ambition would cease.

North Korea's nuclear ambition continued and, thus, the security model provides an incomplete explanation of North Korean thinking. Even if incomplete, the security model may explain the DPRK's decision to continue its nuclear weapons program. North Korea is still faced by overwhelming U.S. and ROK conventional forces. The DPRK continues to use the nuclear weapons card as a hedge against overwhelming conventional forces that are a threat to the DPRK's survival. But again, the model runs into a dead end because it does not look inside of the North Korean decision-making process to provide explanation. Detailed explanation is needed to understand North Korea's calculus and develop a transparent and rational engagement strategy by which to stop North Korean nuclear proliferation with diplomacy.

## **2. Sagan's Domestic-Politics Model**

Sagan's domestic-politics model could be more accurately named the domestic-actor model because it focuses on actors within a state to determine the causes of nuclear proliferation. Sagan explains that actors in a state's nuclear energy establishment, the professional military, and individual parties can all directly and indirectly control a state's decision to build nuclear weapons. Also, Sagan proposes that these parties make decisions based on parochial bureaucratic and political interests, and not on the interests of the state.

This model relies heavily on domestic-political explanation and social construction of technology theory to explain the actions of the military-industrial decision-making process. The social construction of technology theory can be explained as follows:

In this literature, bureaucratic actors are not seen as passive recipients of top-down political decisions; instead, they create the conditions that favor weapons acquisition by encouraging extreme perceptions of foreign threats, promoting supportive politicians, and actively lobbying for

increased defense spending. This bottom-up view focuses on the formation of domestic coalitions within the scientific-military-industrial complex.<sup>28</sup>

In this model the international environment becomes the opportunity by which self-interested actors within a state advance their personal ambition.

As for North Korea's motivation, the Sagan domestic politics model attempts to peel back one layer of causality to explain the nuclear calculus. Using this model, the military and industrial machine of the DPRK would be interested in only advancing their need for nuclear weapons to bring prestige and honor to themselves. While the politics of even the most bureaucratic of states can explain the decision-making process of the government, it does not do so in the case of North Korea. The North Korea State is guided by one philosophy – *Juche*. Because everyone must act for the self-reliance of the nation one cannot act in his or her own interest over that of the state.

Kimism guides decision-making in North Korea. Kim Il Sung used this same logic in the early formation of the North Korean state to explain why trade unions would be detrimental to state development. Self-interested thinking is not tolerated in North Korea, although domestic actors can advance ideas if group-think is dictating decision-making. Group thinking occurs in times of great distress when the answer is apparent and dictated by the environment. In North Korea after the Cold War the mindset may have been such that the nuclear option was the only option. With the loss of their Soviet sponsor, the apparent hegemony of the U.S., and the change in the Chinese economy, the only rational choice available for the DPRK was to execute the nuclear option for regime and state survival.

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<sup>28</sup> Scott D. Sagan, 64. For a complete explanation of social construction of technology theory see Steven Flank, "Exploding the Black Box: The Historical Sociology of Nuclear Proliferation," *Security Studies* 3 (Winter 1993-94). Social construction of technology theory explains the role of technology in a society by placing nuclear proliferation in a historical and social context.

### 3. Lavoy's MythMaker Model

Lavoy's mythmaker model explains that a state will decide to build nuclear weapons when bureaucratic members "who want their country to build nuclear bombs, exaggerate security threats to make the 'myth of nuclear security' more compelling."<sup>29</sup> Nuclear proliferation can be directly linked to the strategic beliefs and political activities of these bureaucrats, or nuclear mythmakers as Lavoy calls them. Lavoy rests his argument on three assumptions: 1) the convictions of individuals matter in a state's decision-making process; 2) the beliefs of policy makers about nuclear weapons are particularly important; and 3) talented and well-placed experts can help create and perpetuate nuclear myths among policy makers.

As for North Korea, little is known about the bureaucratic process of the DPRK government. However, one thing is true: all decisions with regard to state international action come down from the top. Kim Il Sung's, and now Kim Jong Il's, strategic perception of (or belief about) the political and military characteristics of nuclear weapons cannot be known. By default one must fall back on what the logic of *Juche* and rational decision-making would be if one were put in Kim Il Sung's shoes. North Korea started its investigation into nuclear power (and most likely nuclear weapons) in the early 1950's. This was precipitated by two events. First, two nuclear weapons ended World War Two in the Pacific. Second, in July 1950 President Truman sent 10 nuclear-configured B-29s across the Pacific threatening that the U.S. would "take whatever steps necessary" to halt the PRC from entering the Korean War.<sup>30</sup>

These two lessons set into motion the Kim Il Sung's belief about the political and military utility of nuclear weapons. Kim learned that the military force of a nuclear strike could end a war by bringing a nation to its knees. Kim also learned that the cohesive diplomatic potential of nuclear weapons can be used to influence the behavior of great

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<sup>29</sup> Peter R. Lavoy, "Nuclear Myths and the Causes of Nuclear Proliferation," *Security Studies* 2, no. 3/4 (Spring/Summer 1993), 192.

<sup>30</sup> Michael J. Mazarr, 15.

powers. It is apparent that Kim Il Sung, the only mythmaker in North Korea, was deeply affected by the potential of nuclear weapons. Furthermore, the image of two destroyed Japanese cities, the fact that a great Asian power was overcome, and the threat of nuclear weapons use against his nation (and his ally) all shaped the beliefs of Kim Il Sung. Ultimately, Kim Il Sung, the nuclear mythmaker, shaped the strategic culture of his nation and heightened the utility of nuclear weapons.

#### **4. Solingen's Political Economy Theory**

Solingen's theory of nuclear proliferation suggests that economic liberalization can explain nuclear cooperation in nuclear "fence sitter" states. On one hand, she argues that states pursuing economic liberalization through export-oriented and internationalist grand strategies of industrialization are likely to embrace regional nuclear regimes. On the other hand, she argues that states dominated by nationalist coalitions that pursue inward-looking industrialization strategy are less likely to give up nuclear ambiguity and join nuclear regimes to secure access to the global economy. Inward-looking states do not cooperate in international nonproliferation regimes and use nuclear weapons as a domestic political tool to rally support. Furthermore, inward-looking states may use nuclear weapons to ensure regime survival.<sup>31</sup>

Although some might argue that North Korea is moving toward economic liberalization, the fact is that the DPRK is still has a state-run self-sufficient industrial complex operating under the *Juche* philosophy. Because North Korea is an inward-looking and nationalist state it is less likely to embrace nuclear non-proliferation regimes than an economically liberal counterpart: "The expectation is that (1) nuclear regimes based on the principle of disarmament might be more likely where all potential partners share like-minded democratic political systems; and that (2) asymmetric and non-democratic dyads might be more prone to maintain ambiguity or outright deterrence

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<sup>31</sup> Etel Solingen, 160.

postures.”<sup>32</sup> North Korea will not give up its nuclear ambiguity to join the global economy unless state and regime survival is at stake.

Leading up to 1994, North Korea, in its grand strategy of self-reliance, used nuclear ambiguity to show evidence of its own political and domestic vitality. After North Korea’s failure at economic liberalization in 1985, the regime was in jeopardy from economic collapse: “In the absence of tangible international commitments to provide economic aid to North Korea, the incipient liberalizing forces in North Korea lost out to the hard-liners in the military and nuclear establishment.”<sup>33</sup> In March 1993 North Korea pulled out of the Non-Proliferation Treaty (NPT) and created an international crisis.

The U.S., through the wisdom of Jimmy Carter, offered economic aid to avert a war. In 1994 when North Korea and the U.S. signed the Agreed Framework, this economic liberalization theory was substantiated. North Korea continues to accept economic aid and allow its nuclear weapons ambition to be bought-off. The economic liberalization theory holds true for the North Korean case for three reasons. First, since North Korea does not share a political system with the U.S., it was unable to accept a nuclear regime based on the principle of disarmament. Second, North Korea was more prone to maintain its nuclear ambiguity to preserve its deterrence posture. Third, North Korea continues to accept economic aid (and become more economically liberalized) in return for bypassing its nuclear ambition.

## **5. Sagan’s Norms Model**

In this model, Sagan claims that a state’s behavior is determined by its leader’s “deeper norms and shared beliefs about what actions are legitimate and appropriate in international relations.”<sup>34</sup> Thus, a state’s decision to build nuclear weapons is related to what its leaders perceive as normative in international relations. Nuclear weapons will

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<sup>32</sup> Etel Solingen, 134.

<sup>33</sup> *Ibid.*, 145.

<sup>34</sup> Scott D. Sagan, 57-59.

proliferate in a world where it is perceived that the norm is to possess nuclear weapons. Nuclear weapons will not proliferate in a world where it is perceived that nuclear weapons need not be possessed. Furthermore, the possession of (or restraint in possessing) nuclear weapons is viewed as an “important normative symbol of a state’s modernity and identity.”<sup>35</sup> Today nuclear weapons continue to be viewed as having some intrinsic economic, political, and/or military symbolism beyond their material value.

In the case of North Korea, the early symbolism of a World War being ended by nuclear weapons no doubt influenced Kim’s thinking. His initial investigation into nuclear power was further justified in his view by the international norm that nuclear weapons “get you a seat at the table.” The implied nuclear threat during the Korean War furthered Kim’s belief that powerful nations possess nuclear weapons. Also, the Cold War served as an example, and established the understanding, that nuclear weapons have economic, political, and military value.

Until the establishment of the NPT, nuclear weapons proliferation was viewed as a norm.<sup>36</sup> The NPT helped to dissuade potential nuclear possessors by providing an established regime and explanation as to why a nation would not want to gain nuclear weapons. North Korea first joined the Safeguards “norm” and the International Atomic Energy Agency (IAEA) inspection regime but then backed out when it was in their interest.<sup>37</sup> This clearly indicates that the North Korea state, and probably more realistically Kim Il Sung, did not believe that nonproliferation regimes were the accepted norm. Furthermore, Kim believed that nuclear weapons possession was a norm that provided a symbolic indication of his nation’s modernity and identity allowing him to gain economic, political, and military leverage.

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<sup>35</sup> Scott D. Sagan, 55.

<sup>36</sup> Mazarr, Michael J., 16-17.

<sup>37</sup> Ibid., 25, 41.

#### **D. RATIONAL BEHAVIOR**

What shaped the DPRK's unique form of socialism? Three factors were presented in this chapter. First, Kim Il Sung is rationally independent and self-reliant, and this is reflected in his state today. The necessity of a single official ideology, a monopoly on the media, a centrally planned economy, and the control of law are all rationally driven by a state regime that feels it must control all national functions to ensure its survival. Second, the Chongsanri economic method and the Taewan system of industrialization were used by the North Korean government to become more invasive and to centralize its power by forcing the decision-making process up the chain of command to the top.

Third, the *Juche* ideology (self-reliance) changed over the years in response to perceived threats. Hierarchy and self-reliance were molded together in a way that strengthened Kim's control over the party and the party's control over the society. Jawi as self-defense necessitated undertaking a nuclear weapons program that Kim believed would increase North Korean self-reliance, strengthen domestic *Juche*, and increase the ability of North Korea to independently defend itself from any threat of the U.S. – including a nuclear threat.

#### **E. NUCLEAR RATIONALE**

Using the various theories and models already explored, it is possible to develop a rational explanation for the DPRK's nuclear calculus. Tanya Ogilvie-White's seminal analysis of the contemporary debate on nuclear proliferation concludes that none of the theories presented provide a satisfactory explanation.<sup>38</sup> However, she admits that many of the theories, or models, do provide important pieces for the nuclear proliferation puzzle. Nuclear weapons proliferation should be viewed as the consequence of a

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<sup>38</sup> Tanya Ogilvie-White, 49.

combination of internal and external pressures, and domestic and international constraints.<sup>39</sup>

Each of the five theories presented only provides one piece of the puzzle that explains North Korea's nuclear calculus. The DPRK's *Juche* philosophy and theological Kimism were aimed, and continue to be aimed, at one specific goal – regime survival. There are four reasons developed in each of the five theories, or models, presented that explain North Korea's rational nuclear decision-making. First, the DPRK needed a nuclear arsenal to deter U.S. coercive diplomacy through the use of both overwhelming conventional and nuclear threat. North Korea's security was threatened and it rationally responded by developing a nuclear weapons program – the only proven deterrent to superpower aggression.

Second, the DPRK's leadership believes that nuclear weapons are necessary to gain military, economic, and political advantage. Nuclear weapons allow North Korea to level the playing field and bargain with the United States. Powerful nations have and use nuclear weapons to influence other states routinely. North Korea decided that it would not be different.

Third, nuclear weapons development was used by nuclear mythmakers, and specifically Kim Il Sung, to bolster North Korea's domestic and international identity in the face of internal turmoil and external assault. Domestic actors working for self-reliance of the North Korean nation and regime survival chose nuclear weapons to promote national sovereignty.

Fourth, the development of nuclear weapons was an important way for North Korea to reduce its dependence on Russian and Chinese support.<sup>40</sup> Liberal economic theory predicts that nations will turn to nuclear weapons (or fail to join nonproliferation regimes) if they are inward looking. Also, North Korea has accepted an economic

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<sup>39</sup> Tanya Ogilvie-White, 43-60.

<sup>40</sup> Michael J. Mazarr, 17-19.

incentive to forego (or at least put-off) a nuclear program. North Korea's need for security, acceptance of norms, influence by domestic actors and mythmakers, and cessation of nuclear activity for economic aid are all indicators of logical and rational nuclear decision-making by the DPRK government. The U.S. must understand this to continue informed negotiation with the DPRK through the Agreed Framework and KEDO.

### III. NORTH KOREA'S NUCLEAR AMBITION

#### A. NUCLEAR AMBITION

In 1985, the DPRK agreed to sign the NPT under pressure from the U.S., the Soviet Union, and the PRC. There was much speculation as to North Korea's nuclear ambition and the possibility that the DPRK had begun plutonium extraction from its Youngbyon commercial nuclear sites 60 miles north of Pyongyang.<sup>41</sup> While the DPRK had agreed to sign the NPT it refused to allow North Korean national sovereignty to be violated by inspections of the IAEA. Additionally, the DPRK refused to sign the Safeguards Agreement. The Safeguards Agreement is simply a legal and technical inspection regime managed by the IAEA.

North Korea hesitated at signing the Safeguards Agreement unless two preconditions were met. First, the U.S. had to agree to remove all nuclear weapons from South Korea. Second, the U.S. had to guarantee North Korea that it would not use nuclear weapons against it.<sup>42</sup> North Korea was maneuvering to tear down the US-ROK alliance against North Korea. By forcing the U.S. to remove its nuclear weapons from South Korea and to enter into a negative security guarantee with the DPRK, North Korea was removing the U.S. nuclear umbrella over the ROK.

In the summer of 1991, Pyongyang succumbed to diplomatic pressure from Russia and PRC, and economic incentives of the U.S. and Japan, and agreed to inspections of its nuclear facilities. In August of 1991, the U.S. removed its nuclear weapons from South

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<sup>41</sup> Congress, Senate, Committee on Armed Services, *Security Implications of the Nuclear Non-proliferation Agreement with North Korea: Hearing before the Committee on Armed Services*, 104<sup>th</sup> Cong., 1<sup>st</sup> sess., 26 January 1995, 6.

<sup>42</sup> Reiss, Mitchell., 236.

Korea. Both the ROK and the DPRK made declarations of denuclearization and agreed to reconcile their differences.<sup>43</sup>

### **1. Denuclearization**

In December of 1991, the ROK announced that all nuclear weapons had been removed from the entire Korean peninsula.<sup>44</sup> This announcement had two possible effects. First, it could have been read by the DPRK as an insult because North Korea was not consulted about the specific declaration that the Korean peninsula was free of nuclear weapons.<sup>45</sup> Second, the announcement of the removal of all nuclear weapons from the peninsula may have allowed North Korea to continue a nuclear weapons program under a growing fog of political posturing.<sup>46</sup> Nevertheless North Korea got what it wanted: the removal of nuclear weapons from South Korea. In January 1992 North and South Korea entered into a Joint Denuclearization Declaration. The U.S. was one step closer to full inspections.

The Joint Denuclearization Declaration is an agreement by North and South Korea "... to create an environment and conditions favorable for peace and peaceful reunification."<sup>47</sup> Both sides agreed to develop nuclear energy only for peaceful purposes. Additionally, both sides agreed to a joint inspection regime by which to verify compliance. The inspection regime was to be made of a South-North Joint Nuclear Control Commission.

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<sup>43</sup> A complete timeline is available in Leon V. Sigal, Appendix I, 251.

<sup>44</sup> Mark P. Barry, "Assessment of United States-DPRK Relations: Lessons for the Future," in *Two Koreas in Transition: Implications for U.S. Policy*, ed. Ilpyong J. Kim, 111-112; Leon V. Sigal, 5, 6, 31-32; Mitchell Reiss, 238-239.

<sup>45</sup> Mitchell Reiss, 235-237

<sup>46</sup> Leon V. Sigal, 5, 32, 93.

<sup>47</sup> *Ibid.*, Appendix I, 263.

Within this agreement in May 1992 the IAEA began inspections but soon ran into many roadblocks by North Korea.<sup>48</sup> Although a North-South Joint Nuclear Control Commission was established, it was not able to perform its function because of diplomatic maneuvering by the DPRK. In March 1993 North Korea openly refused all inspections of its nuclear facilities.<sup>49</sup> Again, speculation as to the nature of North Korea's nuclear ambition began to grow.

## **2. Rising Tensions**

By the spring of 1994 tensions on the Korean peninsula were high for four reasons. First, North Korea's suspected nuclear weapons program had progressed unchecked for a number of years and the IAEA declared North Korea in non-compliance with the NPT. Second, the possibility that North Korea might politically explode and invade South Korea had increased because Kim Il Sung was dying and the future of the DPRK was in question. Third, the U.S. stepped up diplomatic pressure on North Korea and called for United Nations trade sanctions to punish the DPRK in an attempt to change its behavior. Fourth, North Korea had reneged on the Joint Denuclearization Agreement and refused to talk with South Korea, thus increasing the perception that North Korea might explode. Sensing a downward spiraling situation, the U.S. and the ROK prepared for military confrontation when Kim died in July 1994.

## **3. Cornered Animal**

In the summer of 1994 North Korea was perceived as a cornered animal that was ready to lash out at the South.<sup>50</sup> The leadership of the DPRK probably also felt like a

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<sup>48</sup> Congress, Senate, Committee on Foreign Relations, Subcommittee on on East Asian and Pacific Affairs, *U.S. Policy Toward North Korea: Hearing before the Subcommittee on on East Asian and Pacific Affairs*, 103<sup>rd</sup> Cong., 2<sup>nd</sup> sess., 3 March 1994, 2-3.

<sup>49</sup> Congress, Senate, Committee on Foreign Relations, *North Korea Nuclear Agreement: Hearing by the Committee on Foreign Relations*, 104<sup>th</sup> Cong., 1<sup>st</sup> sess., 24 and 25 January 1995, 5.

<sup>50</sup> Congress, Senate, Committee on Foreign Relations, Subcommittee on on East Asian and Pacific Affairs, *U.S. Policy Toward North Korea: Hearing before the Subcommittee on on East Asian and Pacific Affairs*, 103<sup>rd</sup> Cong., 2<sup>nd</sup> sess., 3 March 1994, 2.

cornered animal, with the U.S., Japan, and the ROK united against them. This boxing-in of the DPRK had already begun when the Soviet Union fell in 1989; North Korea's main backer suddenly disappeared along with its financial support. Then, in the early 1990s the PRC began to change its economy to one based on market socialism. Thus, North Korea's last remaining financial backer was moving away from the DPRK government. North Korea had become a liability to its historical benefactors.

North Korea's main financial supporters in Moscow and Beijing terminated their economic relationship with the DPRK for three reasons. First, world market forces demanded that economic relationships be based on sound national interests. No longer was the ideological struggle of communism against capitalism perceived as being able to produce an immediate return on an investment. Second, trade relationships replaced military agreements as the main avenue to create national security. Third, the international community (China and the Former Soviet Union, included) perceived the government of North Korea as unstable. The possibility of getting a military, economic or political return on an investment in North Korea was very low.

The PRC formally recognized the ROK and expanded trade to include South Korea. North Korea became further isolated by U.S. economic and military force used in combination with the abandonment of North Korea by the Soviet Union and the PRC. Thus, the DPRK was backed into a corner and, like a cornered animal, used the only means it could reason to fight its way out. It used its nuclear-weapons trump card to ensnare the U.S. into the Agreed Framework and weaken the US-ROK security arrangement.

## B. THE AGREED FRAMEWORK AND KEDO

### 1. Signing the Contract

Through a series of confrontational meetings in the fall of 1994, it became clear that North Korea was nearing either implosion or explosion - neither of which would be acceptable by the U.S., the PRC, the ROK or Japan. Explosion would mean war, and implosion would mean a military operation other than war. The U.S. could not conduct either mission because of its ongoing commitments in Bosnia and the possibility of antagonizing the PRC by exercising undue influence in its backyard.

Since trade sanctions and military pressure were not working, former President Jimmy Carter conducted a mission from 13-18 June 1994 to both North and South Korea. He struck the basis for an agreement with the DPRK that led to North Korea stopping its nuclear weapons program in exchange for two modern light-water nuclear reactors and 500,000 tons of heavy fuel oil per year. This remunerative strategy became known as the Agreed Framework and was finalized in Geneva, Switzerland in October 1994.<sup>51</sup>

Pyongyang and Washington signed the Agreed Framework with different expectations in mind. This single document dramatically changed the nature of the relationship between the U.S., the DPRK, and the ROK. North Korea now had a diplomatic tool by which to separate the U.S. and the ROK. In exchange for this wedge, Pyongyang froze its nuclear weapons program and allowed inspections of its facilities in November 1994. The U.S. made the first shipment of heavy fuel oil to North Korea in January 1995.<sup>52</sup> Although perceived by some in Washington as a simple market solution to stop the spread of nuclear weapons, the Agreed Framework had deeper implications.

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<sup>51</sup> Leon V. Sigal, Appendix I, 267.

<sup>52</sup> Congress, Senate, Committee on Foreign Relations, *North Korea Nuclear Agreement: Hearing by the Committee on Foreign Relations*, 104<sup>th</sup> Cong., 1<sup>st</sup> sess., 24 and 25 January 1995, 13.

## 2. The Implications of KEDO

KEDO was formed in March 1995 as a result of the Agreed Framework and consisted of the U.S., the ROK and Japan. From May 16 to June 12, 1995 North Korea and the U.S. held talks in Kuala Lumpur and agreed that the type of nuclear reactors to be built in North Korea would be chosen by KEDO.<sup>53</sup> The DPRK continued to try to keep the ROK out of the Agreed Framework and KEDO by blocking the talks on the actual reactor model to be chosen. In doing this North Korea kept the South Korean light water reactor model from being considered. North Korea feared that a South Korean built reactor would become a method by which South Korea could subvert the DPRK. On 16 December 1995 North Korea and the members of KEDO signed the contract in New York to provide the light-water nuclear reactors.<sup>54</sup>

Building on the Agreed Framework, the supply contract is a commitment by the members of KEDO to supply the DPRK with goods and services (heavy fuel oil and light water reactors) in return for action (cessation of its nuclear weapons program) and repayment of the cost of the light water reactors by the DPRK. It was signed by representatives from the ROK, the DPRK, the U.S., and Japan. It should be noted that it was stated in the supply contract that the light water reactors be of modern U.S. design. Additionally in this contract, it was agreed that the DPRK would repay KEDO for the reactors over a twenty-year period on completion of the light water reactors. All payments, whether cash, trade or goods, would be made interest free. This fact is often overlooked when analyzing the KEDO contract and the Agreed Framework. The promise of the reactors and the repayment schedule are both legally binding contracts that are expected to be executed in good faith by all signatories.<sup>55</sup> Indeed, the contract should be

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<sup>53</sup> Mark P. Barry, 121-122.

<sup>54</sup> Leon V. Sigal, 203.

<sup>55</sup> For the complete text of the KEDO Charter and the Supply Contract see: Young Whan Kihl and Peter Hayes, eds., *Peace and Security in Northeast Asia: The Nuclear Issue and the Korea peninsula* (Armonk, New York: M. E. Sharpe, Inc., 1997), Appendix B and D.

executed in good faith because the nuclear deal brings security and economic benefits to the ROK, the DPRK, the U.S., and Japan.

The contracts also satisfy the diplomatic and economic interests of North Korea. North Korea has been isolated from a global trend towards democracy and free-markets. As a result, the DPRK's economic difficulties have worsened, threatening the communist regime under Kim Jong-Il. North Korea wants to improve ties with the U.S. and Japan by closing a deal on building the light water reactors as soon as possible. Improving relations with the U.S. and Japan is important for North Korea because it can bring security, food, and economic aid. The Geneva agreement, if implemented as planned, will also help the DPRK overcome its acute fuel shortages.

In return, the KEDO partners might persuade North Korea to abandon its nuclear weapons program. The North's nuclear program has posed a serious security threat to Northeast Asia. The U.S., the ROK, and Japan hope that through the light water reactor provision they can guide North Korea's troubled communist regime to a soft landing. The North's nuclear threat is indeed of international magnitude. If unchecked, it could prompt the ROK and Japan into developing their own nuclear weapons. If that happens, it will worsen the situation in Northeast Asia and endanger U.S.-led international efforts for nuclear non-proliferation. The North's bankrupt economy and near-famine food shortages also have threatened regional stability. Economic and social instability could trigger a sudden collapse of the North Korean government. Additionally, internal instability in North Korea could cause the DPRK to attempt a reckless military mission across the border into the ROK.

Washington and Seoul's apparent readiness to provide North Korea with nuclear reactors has invited criticism. Many South Koreans have noted that despite Seoul's efforts for rapprochement and economic aid, the North still refuses official dialogue, maintains its anti-South propaganda, and even attempts military provocation. The DPRK has used every opportunity to question why South Korea would want to spend billions of dollars to

help its enemy. Critics of the deal also continue to question whether North Korea will agree to sign a nuclear energy treaty with South Korea. North Korea continues to attempt to block the South from playing a central role in building the reactors.

Even with all of these potential problems, the light water reactor project has four important and expected results. First, regardless of what the purpose of North Korea's nuclear program may have been, North Korea's decision to freeze the program and allow full nuclear inspections under the Agreed Framework has contributed to peace and security on the divided Korean peninsula and to international efforts for nuclear non-proliferation. The primary goal of the U.S.-engineered Agreed Framework continues to be aimed at stopping North Korea's nuclear ambition.

Second, North-South Korean relations will improve as a result of the light water reactor project. Improved relations can, in turn, lay the groundwork for peaceful reunification of the divided peninsula. The reactor project is an important event in the joint economic development of the two Koreas. The project is led by South Korea and involves the largest-ever exchanges in personnel and materials between the two Koreas. South Korea hopes that such exchanges will help promote reform and openness in North Korea. The economic benefits of KEDO will become an extension of the South Korean "Sunshine Policy" toward North Korea.<sup>56</sup>

Third, KEDO provides the ROK with the only government-level contact point with the DPRK at a time when official dialogue is non-existent between the two Koreas. Inter-Korean networks will increase as the light water reactor project continues because the ROK is the primary contractor. The KEDO light water reactor project will also increase South Korea's ties to the U.S. and Japan, though the security relationship between the ROK and the U.S. will be altered. The KEDO project suits the ROK's desire to promote peace through dialogue on the Korean peninsula and create an environment to enhance the prospect of peaceful reunification of the Korea people.

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<sup>56</sup> Kim Dae-Jung, President, ROK, Address to the United States Congress, 10 June 1998, Available online: <http://korea.emb.washington.dc.us/new/policy/isspolc.htm>.

Fourth, along with political, diplomatic and security benefits, the Agreed Framework has significant economic advantages for both Koreas. For the ROK, it will help develop its light water reactor technology and related industries. By building social infrastructure in the DPRK now, the ROK is saving some of the costs it will eventually have to shoulder when the peninsula unifies. For the DPRK, the KEDO project will ease its energy shortages and expand its trade and other exchanges with the ROK and other countries. This exchange will foster economic growth in the DPRK and decrease the potential that it will turn inward and possibly lash out like a cornered animal.

### C. THE "SQUEAKY WHEEL"

Maintaining a constant and meaningful North-South dialogue will be challenging for all involved. Amid political uncertainty, the North's communist regime could be extremely unpredictable. North Korea may raise objections to South Korean involvement in the Agreed Framework if it thinks the U.S. and Japan are not upholding their end of the contract. This was demonstrated when the U.S. Congress continued not to approve heavy fuel oil shipments to North Korea in 1997. In August 1998 North Korea tested a long-range satellite-injection ballistic-missile by shooting it over Japan.<sup>57</sup> Also, there have been reports that the DPRK has been constructing a large underground facility and has continued to sell missile technology to Pakistan.<sup>58</sup>

The March 1999 agreement between the U.S. and the DPRK to exchange food aid for inspection of the underground facility is a way to quiet the "squeak" but not a way to rid the wheel of the "squeak." North Korea will continue to "squeak" until it gets the heavy fuel oil and the light water reactors that the U.S. is contractually obligated to

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<sup>57</sup> Mainichi Daily News (Japan) "North Korean Missiles," 3 September 1998. Available via LEXUS-NEXUS Research Service.

<sup>58</sup> New York Times. "N.Korea Hiding Big Nuclear Complex, U.S. Says." 17 August 1998.

provide them.<sup>59</sup> This “squeak” may grow very loud if the obligations of the Agreed Framework are not fulfilled.

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<sup>59</sup> Agence France Presse (Paris) “U.S. to Give 100,000 Tons of Food Aid to North Korea.” 22 March 1999. Available via LEXUS-NEXUS Research Service.

#### IV. ACTORS AND GOALS

The main goal of the Agreed Framework is to provide the DPRK with light water reactors and heavy fuel oil in exchange for a North Korean freeze on their nuclear program. The U.S., the ROK, and Japan should work closely to ensure that the DPRK will uphold its obligations under the Geneva accord. To minimize or avoid contact with the South, North Korea may use every means it can think of to prevent the ROK from playing a central role in the process of building the light water reactors. All players should understand this fact and how it affects their role in the arrangement.

The success of KEDO ultimately depends on Pyongyang's attitude and developments in South-North relations. The biggest fear for North Korea is that Kim Jong-Il's regime may collapse and the DPRK may be absorbed into a South Korea-led reunification. The ROK needs to dispel such fears among the North Korean people in order to make KEDO and the light water reactor project successful. The North's communist government and its ideological underpinnings should be transformed by gradual and peaceful means. If the light water reactor project is successfully implemented, it will form the basis for overcoming Cold War hostilities and reunifying the Korean people on a divided peninsula. However, before any further analysis can be conducted, the goals of each actor must be developed.

The comprehensive rational decision-making model will be used as a analytic tool by which to determine each actor's goals. Each actor would assert that its decision-making is rational, but views from the outside may prove different. Accordingly, the comprehensive model requires that five sets of criteria be fulfilled in order to determine whether a decision is rational or not. First, a clear set of goals must be specified for each actor. Official public statements must be used to develop such goals. If statements do not exist, then the best arguments from the literature will be used.

Second, each decision-maker needs clear and accurate information regarding opportunities and challenges of the situation. It is the intention of this thesis to elucidate these costs and benefits for each actor through a discussion of each actor's goals. Third, clearly specified options must be presented to the decision-maker. Fourth, an analysis of the options must be conducted weighing expected costs and benefits, most probable outcomes, and net expected benefits versus costs. Finally, a rational choice is made.<sup>60</sup> The next section of this chapter will present each actor's goals.

## **A. THE UNITED STATES**

### **1. Goals of the United States**

The goals of the U.S. regarding the Korean peninsula reflect those goals described in the National Security Strategy of Engagement and Enlargement.<sup>61</sup> First, the U.S. wants to enhance its security. This can be accomplished through the Agreed Framework by stopping North Korea's nuclear weapons program. Indeed, reducing nuclear weapons proliferation is a stated priority of the U.S. national strategy. Additionally, the security of the region can be improved by stabilizing the DPRK and moving the peninsula toward reunification.

Second, the U.S. wants to promote democracy. The Agreed Framework will promote democracy by letting the U.S. foster the legitimacy of the ROK in the eyes of North Korea. South Korea's lead in the light water reactor project and KEDO forces North Korea to work directly with the ROK. Third, the U.S. wants to increase economic opportunities. The Agreed Framework will develop the DPRK economically, increase the socio-economic relationship of North and South Korea, and avoid a North Korean "hard

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<sup>60</sup> Thomas L. Brewer and Lorne Teitelbaum, *American Foreign-policy: A Contemporary History*, (Upper Saddle River, New York: Prentice-Hall, Inc., 1997), 24-27.

<sup>61</sup> President. *A National Security Strategy for a New Century*. (Washington, D.C.: The White House, Office of the President of the United States, October 1998), 3.

landing” that could result in military conflict. These goals reflect those stated in the latest U.S. National Security Strategy of Engagement and Enlargement.

## **2. The Two-Koreas Policy**

In addition to understanding the goals of the U.S. on the Korean peninsula, an analysis of U.S. policy toward the Korean peninsula is necessary. U.S. policy on the Korean peninsula has changed from a matter of supporting the ROK via the Mutual Defense Treaty to that of implementing Korean reunification as the Korean people’s choice. The U.S. today, by default, has a two-Koreas policy, and this can be seen in U.S. policy statements. For example:

The U.S. believes that the question of peace and security on the Korean peninsula is, primarily, a matter for the Korean people to decide. The U.S. is prepared to assist in this process if the two sides so desire.<sup>62</sup>

Unfortunately, while the U.S. says reunification is a matter for the Korean people, it engages the DPRK and the ROK separately with the intention of facilitating the reunification process.

The U.S. is in essence muddling through the process of reunifying the Korean peninsula. On one hand, the U.S. says reunification is a matter for the Korean people. On the other hand, the U.S. actively pursues separate policies with the DPRK and the ROK, which splits the Korean peninsula. The U.S. has a defense treaty with the ROK and a separate agreement with the DPRK. U.S. engagement policy has created two Koreas by default. The U.S. has a two-Koreas policy today. The Agreed Framework obliges the U.S. to go beyond its traditional the ROK-centered policy to deal with the DPRK’s nuclear ambition, continuing the two-Koreas policy.

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<sup>62</sup> Department of State, Bureau of East Asian and Pacific Affairs, *Background: South Korea* (April 1998). Available Online: <http://www.state.gov>.

The U.S. must balance two seemingly contrary responsibilities. First, the U.S. has committed to securing the DPRK's cooperation in stopping its nuclear weapons ambition. From the first signs that North Korea might have a nuclear weapons program, U.S. diplomatic efforts have centered on encouraging the DPRK to stop. Second, the U.S. has a lasting security obligation to the ROK. This security obligation is embodied in the Mutual Defense Treaty of 1954. The Agreed Framework brings these U.S. responsibilities into conflict and creates the current U.S. two-Koreas policy.

The Agreed Framework has created a new mechanism by which the U.S. interacts with both the ROK and the DPRK. Three issues stem from the new, contrary U.S. obligations to support the ROK militarily and the DPRK contractually. First, the Korean conflict continues and must be resolved. North Korea has pointed to the 1953 armistice as an U.S.-DPRK agreement and not an U.S.-DPRK-ROK agreement. The Agreed Framework allows the DPRK to remove the ROK further from any Korean-peninsula dialogue.

Second, in order for the Agreed Framework to work, its major action arm - KEDO - should be supported. KEDO requires that the U.S. and all other actors acknowledge two Koreas on the peninsula. KEDO forces the ROK to remain separate from the Agreed Framework, in its traditional role as an U.S.-sponsored nation.

Third, the U.S. wants the Korean conflict to be resolved by the Korean people. This requires a North-South dialogue that the Agreed Framework does not specifically require but can be created by KEDO. Again, the U.S. must deal with two Koreas. The Agreed Framework is an U.S.-DPRK contract and KEDO is an U.S.-ROK organization. The U.S. has moved from an ROK-centered reunification policy to a more split policy between the DPRK (because of the Agreed Framework) and the ROK (because of KEDO and the Mutual Defense Treaty). This is the essence of the U.S. two-Koreas policy.

## B. REPUBLIC OF KOREA

The goals of the ROK are explained in their latest Defense White Paper and reflect their perceived need to protect national sovereignty through military strength while encouraging the possibility of reunification:

The national goals of the ROK are 'to safeguard the nation under free democracy, to preserve permanent independence by attaining the peaceful reunification of the fatherland, to become a welfare society by guaranteeing our citizen's freedom and rights and working toward an equitable improvement in their standard of living, and enhance the national prestige and contribute to world peace by improving out international prestige.' To achieve these goals, the ROK government has been carrying out the national policy guidelines of 'clean government, strong economy, healthy society and reunified nation.'<sup>63</sup>

The ROK's unique leadership role in KEDO will allow South Korea to work toward achieving their national objectives. South Korea's goals can be distilled down to three intentions. First, the ROK wishes to promote a reunified Korea on the ROK's terms. South Korea's role as the supply contractor of the light water reactors will create the network for official high-level government contact between the North and South. The ROK can influence this relationship and use this to its advantage.

Second, South Korea intends to enhance its security. The threat of the DPRK has always been addressed in the ROK's defense strategy. The ROK knows that the Agreed Framework has altered the US-DPRK-ROK strategic security balance. KEDO allows South Korea to engage the DPRK while maintaining ties to the U.S., thereby enhancing its security. Third, the ROK wants to increase its economic opportunities. KEDO allows the ROK's "Sunshine Policy" to be implemented directly in the North. The South can use

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<sup>63</sup> Republic of Korea. Ministry of National Defense, *Defense White Paper: 1997 - 1998* (Korean Institute for Defense Analyses, 1998), 16.

this to increase the economic infrastructure of the Korean peninsula in addition to displaying its technical capacity to build nuclear power plants in the rest of Asia.

### **C. JAPAN**

Japan is spending \$1 Billion U.S. to buy its role in KEDO. It is uncertain what Japan will ultimately receive in return for its investment in KEDO. Thus far, Japan has been a non-acting member of the U.S.-DRPK-ROK Agreed Framework. Nevertheless Japan will still receive something for its involvement in the Agreed Framework through KEDO. Political and economic security will be discussed below to show how Japan benefits from or risks loss in its support of KEDO. This analysis will be conducted by attempting to penetrate Japan's security thinking. Penetrating Japan's decision-making, however, is very difficult because Japan rarely elucidates measurable goals in its foreign-policy statements.<sup>64</sup>

#### **1. Economic Security**

The economic security of Japan can be seen at the center of its foreign-policy decisions. Japan places economic security at the center of its foreign-policy strategy for three reasons. First, Japan uses trade to create interdependencies between it and those nations it wishes to influence.<sup>65</sup> By agreeing to fund a portion of KEDO Japan can take the first step toward reasserting its economic influence into what may eventually become a reunified Korean peninsula. Given the current fiscal problems in Asia, any sign of regional investment offers some hope that the economic slide will stop or at least be slowed. Thus, funding KEDO is a powerful way for Japan to join the ROK and the U.S.,

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<sup>64</sup> Edward A. Olsen, *U.S.-Japan Strategic Reciprocity: A Neo-Internationalist View* (Stanford, California: Hoover Institute Press, 1985), 10-11.

<sup>65</sup> James Shinn, *Fires Across the Water: Transnational Problems in Asia* (New York: The Brookings Institute Press, 1998), 112-115, 172.

and to show resolve through investment in a large multinational program with transnational implications that may light the way out of the Asian economic predicament.

Second, Japan views trade as a form of international humanitarian aid.<sup>66</sup> Rather than direct Western-style humanitarian aid to help a country through handouts, Japan uses trade linkages to let the recipient nation help themselves out of their problem. Japan sets no short-term definable goals regarding the economic aid, but instead hopes that trade will strengthen future relations.

Undeniably, the short-term goal of the aid strategy is that, if the Japanese government shows resolve and commitment to other nations on an international scale, then Japan will gain international legitimacy as a world power. By creating economic linkages through trade as a form of Western-style aid, Japan may be setting up the recipient nation for a future soft landing rather than an immediate marginal fix, as is seen in many U.S.-lead Western aid programs that play to U.S. domestic politics. Funding KEDO is in perfect alignment with Japanese-style economic aid because it is *quid pro quo*, contractual in nature, and in the long-term interests of all nations involved.

Third, Japan uses trade as a way to expand its ways throughout the world. By creating economic network interdependencies Japan continually sends out envoys of the Japanese way to set the example of how "Japan's Ways" are good. Whether it is creating a market for Japan's gas-saving cars in the U.S. in the 1970s or buying its way into North Korea through KEDO, the reasoning remains to show how Japanese ways are better. The funding of KEDO is the backdoor for Japan to spread Japanese ways throughout the Korean peninsula without force.

## **2. Foreign-policy?**

What really makes Japan feel secure? Is it protecting its citizens economically, militarily, and/or politically? Is it simply maintaining a Japanese way of life? Is it something completely alien to Western thought? The Japanese view of the world sees all

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<sup>66</sup> James Shinn, 115, 172.

nations as part of one family. There is a hierarchy in Japanese foreign policy that runs from the U.S., Japan, and the PRC at the top, to the ROK and the DPRK as part of an extended family. All of these relationships are important to Japan because it sees itself as the strategic partner of the U.S., views the U.S. as the current leader of the international system, and accepts the PRC as the traditional regional power.<sup>67</sup> Each of these relationships shows a small part of the political dynamic at work in Japanese foreign policy.

Japan wishes the divided Korea to continue until it has time to create the necessary linkages to help Korea reunify. While this may seem to be a self-serving policy, it is Japan's way of dealing with a potential regional partner. Japan wishes to create mutually satisfying economic and political ties with both North and South Korea before Korea unifies. In doing so Japan can ensure that North Korea will not explode and lash out at Japan. Also, Japan can ensure that a reunified Korea does not view it as a threat because Japan will become regional partner to Korea over time. Japan wants to help Korea by funding KEDO to make both of their futures beneficial.

Japan wants to show international resolve against the spread of nuclear weapons. Blocking North Korea's development of nuclear weapons serves four purposes. First, Japan has an economic benefit in getting to process North Korea's nuclear waste. As North Korea's nuclear program is disassembled the nuclear material must be safely processed for disposal. Japan serves the DPRK by helping address an environmental nuclear waste disposal problem and creating economic opportunity.

Second, Japan allies itself with U.S. concerns on nuclear proliferation. The U.S. has been fighting the spread of nuclear weapons and is trying to create an international understanding that nuclear weapons have no use. Japan will gain the respect of the U.S. by emulating U.S. engagement policy to stop the spread of nuclear weapons. Third, Japan

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<sup>67</sup> Richard B. Finn, "Japan's Search for a Global Role: Politics and Security," in *Japan's Quest: The Search for International Role, Recognition and Respect*, ed. Warren S. Hunsberger (Armonk, New York: M. E. Sharpe, 1997), 119-123.

establishes itself in the international community by legitimately backing an international non-proliferation regime supported by the United Nations. Japan can show to the world that it is ready for additional duties by backing the worthy cause of stopping nuclear proliferation.

Fourth, Japan can ensure that a non-nuclear Korea will exist in the future. While Korea, reunified or not, is perceived as an Asian brother it is also a potential security threat. North Korea has demonstrated a new ballistic missile capability and may become a greater threat if it is not engaged. Japan can engage Korea by funding KEDO and creating a non-nuclear Korean peninsula that can be worked with as an equal in the future. Japan's funding of KEDO can ensure a non-nuclear Korea, create international legitimacy for Japan, show support for its security relationship with the U.S., and create economic opportunity in reprocessing North Korea's nuclear waste.

A final benefit and possible foreign-policy goal of Japan funding KEDO can be seen in Japan's multilateral bent. Japan's leadership believes that Japanese ways are true and self-evident, and that it can teach the world its ways through example.<sup>68</sup> Japan believes that it can do this through multilateral forums in a similar way that consensus is built in Japanese politics. Japan, by engaging other nations in dialogue, can show the international community how Japan operates. By funding KEDO, Japan can engage the U.S., the DPRK, and the ROK, as well as many European nations, in dialogue whereby Japan can show their virtuous ways. Japan's involvement in KEDO also allows Japan an avenue to act in concert with the U.S. while showing other nations that it is unique and acts independently.

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<sup>68</sup> Hyung Kook Kim, "Japan, Korea, and Northeast Asia," in *Japan's Quest: The Search for International Role, Recognition and Respect*, ed. Warren S. Hunsberger (Armonk, New York: M. E. Sharpe, 1997), 169.

### 3. Military Security

While military security may not be a priority for Japan, it nevertheless plays an important role in determining internal and external politics.<sup>69</sup> Japan has two primary military security objectives. First, Japan wants to keep the U.S. engaged in the region. Continued U.S. presence in Asia, and specifically in Japan, relieves Japan from the need to expand its military. By not having to expand its military, Japan benefits from not renewing fears in Asia of Japanese expansionism. Japan also minimizes the economic impact of increasing the size of its military. Second, the Japanese people do not wish to expand the military. Japan has strong anti-military sentiments that permeate its political bureaucracy and strategic culture. Japan does not have the domestic support, the political coalition, or the national will to expand its military. Japan intends to keep the U.S. military in the region and keep its own military out of the region.

The role of Japan on the Korean peninsula continues to evolve. Japan is a part of the dynamic of the Korean peninsula and cannot be separated from the future of the region. Japan wants the economic ties to the DPRK created by funding KEDO. It wants the security of a short-term divided Korean peninsula and a long-term nuclear-free reunified Korea. It wants the benefits of international legitimacy that comes with its active role in KEDO. Finally, it wants the benefits of supporting the U.S. as a strategic partner, while showing the U.S. that it is capable of playing a larger role in the international community.

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<sup>69</sup> Richard B. Finn, "Japan's Search for a Global Role: Politics and Security," in *Japan's Quest: The Search for International Role, Recognition and Respect*, ed. Warren S. Hunsberger (Armonk, New York: M. E. Sharpe, 1997), 115-119; Robert A. Manning, "Building Community or Building Conflict? A Typology of Asia Pacific Security Challenges," in *Asia Pacific Confidence and Security Building Measures*, ed. Ralph A. Cossa (Washington, D. C.: The Center for Strategic and International Studies, 1995), 30-31.

#### **D. PEOPLE'S REPUBLIC OF CHINA**

The PRC has maintained closer political relations with the DPRK than any other nation. Additionally, Beijing has had greater influence over Pyongyang than any other nation's seat of government.<sup>70</sup> Indeed, the actions of the PRC's next-door neighbor are much more important to Beijing than those nations not on its border. Although China often does not elucidate its national-strategy goals concerning the Korean peninsula, there is literature from which to glean such information. Also, the PRC's intentions on the peninsula can be perceived as rational even in Western eyes. Therefore China's national security goals concerning the Agreed Framework and the Korean peninsula are calculable. Political, military, and economic strategic security issues dictate the goals of the PRC on the Korean peninsula.<sup>71</sup>

##### **1. Political Relations**

Seven different, yet related PRC political goals concerning Korean security are indicated. First, it is a regional security goal of Beijing to strive always to maintain a normal political relationship with Pyongyang. The PRC and DPRK share a legacy of ideological underpinnings, a spirit of socialism, and a common dialogue based on a client-state relationship. The PRC fosters the ideological and historical commonalities of the two nations through their revolutionary-communism experience.

Second, the PRC wishes to ensure that regional stability is maintained by avoiding the territorial and economic problems that could lead to (or result from) conflict on the Korean peninsula. China has worked hard, and continues to work hard, at limiting provocative DPRK actions.

Third, the PRC wants to preserve its communist ally. China can accomplish this by helping the DPRK avoid an economic collapse that might result in a hard landing. By

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<sup>70</sup> Leon V. Sigal, 20, 58-59, 62.

<sup>71</sup> Banning Garrett and Bonnie Glaser, "Looking across the Yalu: Chinese Assessments of North Korea," *Asia Review* 35, no. 6 (June 1995), 228-245.

maintaining Korea peninsula economic stability through implied support of the Agreed Framework and KEDO, the PRC can keep the DPRK financially solvent without providing direct economic support.

Fourth, the PRC has worked to maintain a role in the U.S.-DPRK relationship through the Four Party Talks so that it can stay in the loop on Korean security. Fifth, the PRC wants to transform the party-to-party connection it has with North Korea to a state-to-state relationship with the DPRK.<sup>72</sup> Sixth, the PRC strives to keep the U.S. involved in the DPRK nuclear issue by not ruining Sino-U.S. relations. Finally, the PRC continues to foster its regional legitimacy as the Middle Kingdom through credible diplomacy on the Korean peninsula.

## **2. Military Interests**

The PRC has two military goals on the Korean peninsula. Primarily, the PRC wants to limit the chance of a U.S.-DPRK conflict.<sup>73</sup> Furthermore, the PRC wishes to limit the possibility of a DPRK collapse leading to a Korean conflict. Not only would a DPRK conflict create an immediate PRC strategic problem with the U.S., but it would also force the PRC to state its intentions to support, or not support, the DPRK. The PRC does not want a showdown with the U.S. over the DPRK. The PRC does not wish to have its ambiguous posture towards the DPRK put in jeopardy. A DPRK conflict or collapse would also create a new military challenge for the PRC. An enormous refugee problem would develop that would have military and economic implications.

Second, the PRC does not want nuclear weapons on the Korean peninsula.<sup>74</sup> The U.S. dissuaded the ROK from developing nuclear weapons in the 1980s, and the PRC has

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<sup>72</sup> Patrick M. Morgan, "New Security Arrangements Between the United States and North Korea," in *Kim Il Sung: The North Korean Leader*, eds. Dae-Sook Suh and Chae-Jin Lee (New York: Columbia University Press, 1988), 169-170.

<sup>73</sup> Chae-Jin Lee, "China and North Korea: An Uncertain Relationship," in *Kim Il Sung: The North Korean Leader*, eds. Dae-Sook Suh and Chae-Jin Lee (New York: Columbia University Press, 1988), 199.

<sup>74</sup> *Ibid.*, 201-203.

helped recently in moderating the DPRK's nuclear ambition. Because the U.S. has removed its nuclear weapons from the peninsula, the PRC sees DPRK nuclear weapons as nothing but destabilizing for the region. If the DPRK developed a nuclear weapons capacity, then the ROK and Japan would be forced to do the same. The relative peace of the region would be thrown away in a nuclear arms race that would undermine the PRC's dominance in the region.

### **3. Economic Concerns**

The PRC has three economic goals regarding Korean security. First, the PRC wants to avoid an economic meltdown in the DPRK. Economic collapse would create an already mentioned refugee problem in addition to U.S. action to stabilize the nation and North Korean panhandling towards the PRC. An economic collapse might also lead to an all-or-nothing scenario where the DPRK explodes on the ROK and Japan by starting a regional conflict.

Second, the PRC wishes to foster the use of the Agreed Framework as a method to improve the DPRK economy. The PRC understands the economic ties that KEDO can create between North and South Korea. Increased ROK-DPRK economic ties will limit the necessity for the PRC to prop up its historical client with economic aid that it cannot afford. Third, the PRC wants to maintain peninsula stability in order to increase the chance of continued economic development by the DPRK. Again, economic stability by the DPRK means less possibility of U.S. regional action and less possibility of PRC aid to North Korea. The PRC would welcome limited U.S. regional action and decreased DPRK economic needs.

## **E. DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA**

While harder to pin down, the goals of North Korea revolve around the need to maintain the current regime.<sup>75</sup> North Korea maintains the legitimacy of the current regime by exercising its rights as a sovereign nation. To show sovereignty, North Korea acts like a sovereign nation, enhances its security and increases its political leverage. The goals of the DPRK are expressed in three ways. First, the DPRK wants to ensure its national sovereignty. The Agreed Framework demonstrates to the ROK that the U.S. unilaterally recognizes the DPRK regime. This recognition by the U.S. is used by the DPRK to legitimize its regime and demonstrate its national sovereignty independent of ROK influence.

Second, the DPRK wants to increase its security. The DPRK guarantees its security by negotiating with the U.S. rather than resorting to military confrontation. The DPRK only arrived at the Agreed Framework after some delicate brinkmanship. By taking the U.S. to the edge of conflict, the DPRK was able to gain more concessions by appearing to withdraw back to reserved hostility. This brinkmanship also enhances the DPRK's security by showing its own people that it is powerful. In a time of such internal disorder, the perception of a strong government is important to the DPRK. Also, the political maneuvering of the DPRK ensures that the U.S. is trapped into a diplomatic settlement rather than a military solution.

Third, the DPRK wants to increase its political leverage. Using a combination of the "Squeaky Wheel" and brinkmanship, North Korea increases its political leverage while appearing simply to be asking for what it is contractually owed. Examples of this behavior include the DPRK's interpretation of the Armistice as a US-DPRK bilateral agreement, and the firing of a ballistic missile because the U.S. had not sent heavy fuel oil

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<sup>75</sup> Hakjoon Kim, "The Nature of the North Korean State," in *Two Korea in Transition: Implications for U.S. Policy*, ed. Ilpyong J. Kim (Rockville, Maryland: In Depth Books, Paragon House Publishers, 1998), 30-31.

shipments. The next section will expand on these basic goals by looking inside the Hermit Kingdom to understand the DPRK's nuclear decision-making process.



## **V. UNITED STATES FOREIGN-POLICY OPTIONS**

The role of the U.S. on the Korean peninsula is of primary concern. The Agreed Framework creates a bilateral relationship between the U.S. and the DPRK. The ROK was not a signatory of the agreement.<sup>76</sup> South Korea will manage the Supply Contract and provide the light water reactors to North Korea under KEDO. Again this is a bilateral agreement. North Korea talks through the Agreed Framework to the U.S., and the ROK talks to North Korea through KEDO. The U.S. talks to the ROK in administering the Agreed Framework and KEDO. The Agreed Framework has added a separate U.S.-DPRK bilateral relationship paralleling the U.S.-ROK relationship. Again, this is the impetus for the U.S. two-Koreas policy. In order for the U.S. to formulate a justifiable course of action, all policy options must be discussed.

### **A. STATUS QUO**

The U.S. could maintain its current ambiguous policy of simultaneously attempting to mediate the Korean dispute while supporting the ROK as a strategic partner and conducting bilateral US-DPRK talks without ROK input. This policy has few benefits and many costs. There are two possible advantages to maintaining an ambiguous policy in the Korean conflict. First, the U.S. can continue to pick and choose when and where it applies its foreign policy while maintaining a degree of plausible deniability. This is, however, a Cold War tactic that does not lend itself to building trust and cooperation among strategic partners or known belligerents. The second possible advantage is that the U.S. could ensure that it will remain engaged in and can shape the

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<sup>76</sup> Young Whan Kihl and Peter Hayes, eds., *Peace and Security in Northeast Asia: The Nuclear Issue and the Korea Peninsula* ((Armonk, New York: M. E. Sharpe, Inc., 1997), Appendix A, 437.

region. However, the power of the U.S. to shape the region will not be very effective because the ROK nor the DPRK will neither fully trust the U.S. nor cooperate with it.

The disadvantages of the current U.S. policy of playing both the ROK and the DPRK sides of the fence are many. First, by not choosing to back the ROK or the DPRK fully, the U.S. will isolate both sides and drive them apart. The actors might disengage from the DPRK-ROK dialogue, and the Agreed Framework could be jeopardized. Second, the current ambiguous U.S. policy will antagonize both the ROK and the DPRK. North Korea will be threatened by the continued US-ROK alliance. South Korea will believe that the U.S. has abandoned it for a more DPRK-friendly policy of reconciliation.

Third, the DPRK will continue its "America Only" and "Squeaky Wheel" policies in an attempt to manipulate the United States. The DPRK will only talk with the U.S. and continue to ignore any ROK attempts to engage in meaningful dialogue. This will drive a wedge between the U.S. and South Korea. North Korea will continue provocative actions to maintain the attention of the United States. More nuclear related facilities will be built, more weapons tests will be conducted, and more brinkmanship will be attempted to get the U.S. to honor the Agreed Framework. The disadvantages of the current U.S. policy of ambiguity will ultimately lead to a dissatisfied ROK and an increasingly "squeaky" DPRK wheel.

## **B.     MEDIATE**

The differences between the U.S. status quo policy and the mediation are very subtle. The current U.S. policy uses ambiguity to provide a diplomatic escape mechanism through plausible deniability. This is the so-called two-Koreas policy. A change in policy to mediation would occur if the U.S. stated that its contractual agreement with the DPRK is as equally important as its defense obligation to the ROK. While this change in policy is dangerous, the benefits are great. There are four specific advantages of the U.S. stating

its intentions. First, the DPRK and the ROK would be brought to the table and interact in a high-level government forum in addition to the KEDO-light water reactor networks that would develop. Dialogue, whether bilateral or trilateral, is better than no dialogue at all. Second, the PRC would no longer have to back North Korea by default. The Four Party Talks might become four talking parties instead of two disinterested sides in an ideological debate.

Third, the U.S. would remain engaged in the problem. The U.S. would not have to worry about a vacuum being filled by the PRC or a potential North-South conflict due to a failure of communication. Fourth, by mediating the Agreed Framework the U.S. could simultaneously honor its treaty with the ROK while mitigating DPRK fears of being absorbed into the South by a US-ROK alliance. The U.S. could fulfill its contractual obligations with the DPRK, enhance North-South dialogue through KEDO, and legitimize the ROK to the DPRK by letting South Korea negotiate with the North Korea as an equal instead of as a U.S. puppet.<sup>77</sup>

The disadvantages of the mediation option for the U.S. are potentially dangerous to regional stability. First, the ROK might see the U.S. as reneging on its treaty responsibility. If the ROK felt slighted by the U.S. supporting DPRK positions with regard to the Agreed Framework, the ROK might pull out of its leading role in KEDO. Second, the U.S. might be put in the strange position of defending DPRK interests. This would have the effect of alienating the ROK and inciting debate in the U.S. Congress as to the wisdom of supporting a regime thought to be untrustworthy. Third, if the mediation role for the U.S. appears to be successfully moving Korea toward reunification, then the PRC would exert its "rightful" influence in the region. This might cause the U.S. to come into conflict with the PRC if diplomatic processes breakdown. This is not a prospect that either side wishes.

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<sup>77</sup> Robert A. Manning, "The US, ROK And North Korea: Anatomy Of A Muddle," (Nautilus Institute, 1995) Available online: <ftp://ftp.nautilus.org/napsnet/usefuldocs/manningtestimony1095>.

### C. TAKEOVER

Another policy option for the U.S. is to take control of the Agreed Framework and KEDO and hold all parties to their obligations through diplomatic and military pressure. As unlikely as it is that this might occur, the advantages and disadvantages must be discussed. There are four advantages for the U.S. in taking control of the Agreed Framework and KEDO. The U.S. would ensure that it would control the Korean peninsula. The U.S. would ensure that the North Korean nuclear program ends, the DPRK regime ends, and South Korea reunifies the peninsula. The disadvantages to this scenario are numerous.

If the U.S. forces the DPRK and ROK to do as it directs, then five disadvantages would appear. First, to cause a sovereign nation to do something against its will would require force. On one hand, the U.S. would have to exert extreme military pressure on North Korea at great cost. A war might even result. On the other hand, the U.S. would have to exert extreme diplomatic pressure on South Korea. The U.S. would lose international credibility. Second, the U.S. would alienate both the DPRK and the ROK. The U.S. would lose diplomatic ties to both countries. Also, any dialogue between the North and the South would be destroyed by the U.S. unilateral action.

Third, as military, diplomatic, and economic pressure increased on North Korea, the possibility of the DPRK politically exploding on South Korea would increase dramatically. The ROK might anticipate this problem and choose not to cooperate with the U.S. because the U.S. would be accused of provoking the North Koreans. Thus, the U.S. might have two enemies. Fourth, unilateral action by the U.S. might antagonize Japan and the PRC. Either nation might feel threatened by U.S. action to reunite the Korean peninsula forcefully. The PRC would not allow a U.S.-dominated Korea in its backyard. Japan could experience domestic concern regarding an aggressive, hegemonic United States.

Fifth, any unilateral action by the U.S. to unite the Korean peninsula would destroy any U.S.-created international understanding that the U.S. is a benevolent power. The United Nations would most likely condemn the U.S. for its aggressive action. The violation of the sovereignty of South Korea would destroy the credibility of any U.S. treaty or agreement. Alliances with Asian nations might also be broken due to the resurgence of apparent U.S. imperialism. The tremendous disadvantages of the U.S. enforcing its wishes on the Korean peninsula far outweigh any expected return on such aggressive unilateral action.

#### **D. PRO DPRK**

Although this is a highly unlikely situation, all U.S. policy options are being considered in this thesis. This policy option involves the U.S. scrapping the 1954 Mutual Defense Treaty with the ROK and then fully supporting the DPRK's political ambitions in order to get it to stop its nuclear program. In addition, the U.S. would have to pressure Japan and the ROK into accepting the DPRK's new role in the region as a U.S. ally. This scenario has only one identifiable benefit (stopping North Korea's nuclear program) and five highly undesirable disadvantages.

First, this policy would alienate both Japan and the ROK. The U.S. would ruin its alliance with Japan and the ROK by destroying its credibility in the region by backing a known belligerent. While this might seem like an extreme view of the U.S.'s role in the region, one should keep in mind that the U.S. is seen by many as the defender of freedom. Second, the PRC would be put in the strange position of having to acknowledge an increasing U.S. role in the region while encouraging U.S. support of the DPRK. On one hand, China would not accept the growing influence of the U.S. in its backyard because it undermines Chinese regional authority and the idea of the Middle Kingdom. On the other hand, the PRC would have to welcome U.S. support of a failing North Korean state

because that alleviates the PRC of having to back a failing North Korean State economically and politically.

Third, this option continues the Korean peninsula conflict and the disconnection between the DPRK-ROK. The U.S. backing the DPRK would only help to renew, and possibly intensify, the Korean conflict. Fourth, this scenario isolates the DPRK by turning its traditional enemies even more against them and forcing its traditional supporters to question their future role in the area. Japan and the ROK would be forced to isolate the DPRK and the PRC would have to distance itself from the DPRK to avoid aligning with the United States. Finally, if the U.S. picked this policy option, then this action would justify the DPRK's nuclear brinkmanship, "America Only" policy, and "Squeaky Wheel" actions. Although the U.S. would stop the DPRK's nuclear program, it would create the understanding that the U.S. could be easily coerced (and some may say even blackmailed).

#### **E. PRO ROK**

This scenario might be approached if U.S. decision-makers decide to take a hardline stance with the DPRK. There are a few reasons that might make this policy option attractive to Washington hawks. First, this policy option shows unquestionable U.S. support for its South Korean ally. Second, it indicates indisputable evidence of U.S. resolve to stop the DPRK's nuclear program and, ultimately, the DPRK's regime. Third, it neatly defines the sides of the conflict into the U.S., the ROK, and Japan versus the DPRK, and by default, the PRC.

There are four distinct disadvantages to the pro-ROK policy option for the United States. First, the Korean conflict would continue. Since this policy option divides the participants, the dialogue created by the Agreed Framework would be all but destroyed and replaced by the animosity of the North-South struggle. Second, this policy alternative

would isolate the DPRK as the U.S., the ROK, and Japan ally against it. The DPRK would have to resort to its original gameplan of creating a trump card to defend itself. That trump card might be either renewing its nuclear weapons program, or threatening to attack the South, or seeking PRC or Russian involvement.

Third, this option would force the PRC to choose sides. The PRC would be put into the unenviable position of having to back the DPRK and distance itself from the U.S. at a time when U.S-PRC relations are critical to regional security. Fourth, this policy choice would require that the U.S. increase its military presence in the region at the very time when budget constraints and worldwide commitments are stretching the military thin. This might result in either the return of U.S. nuclear weapons to the peninsula, or nuclear ambitions or military buildups on the part of the ROK or Japan, or renewed U.S. threats of military action. All of these results would in turn elicit a negative response from the PRC and Russia.

#### **F. GUARANTEE**

This policy option for the U.S. is a variation of the mediation alternative. The U.S. can choose to guarantee both its treaty obligations to South Korea and its contractual obligations to North Korea on an equal basis without aggressively pursuing the Agreed Framework and KEDO. While this position has some compelling advantages, it also has numerous disadvantages. Three distinct advantages are clear. First, the Korean conflict would have to be a Korean matter. If the U.S. simply guaranteed the security of both sides then both sides would have no other option than to talk. Refusal to act would be met by punishment because the U.S. would enforce not only the wishes of both sides, but also its and all parties' contractual obligations.

Second, because the U.S. would have to guarantee both sides' treaties and agreements, and its own wishes, it would control and promote its interests first. Third, the

U.S. could ensure that the ROK would take a legitimate role in negotiations. Also, the U.S. could ensure that the DPRK would take an active role in talking to the South. The advantages of the guarantee position are not overly convincing, although the disadvantages are many.

The first disadvantage is that even with a security guarantee from the U.S., both sides might refuse to talk. More pressure might not result in anything but participants further removed in the Korean conflict. Second, the DPRK might continue its "Squeaky Wheel" actions forcing the U.S. to play the bad guy again. The U.S. would be forced to honor the Agreed Framework or pull out and side with South Korea. The most likely result would be U.S. military action against North Korea. Third, since the U.S. would have to guarantee the security of both sides, the DPRK could bargain with South Korea from a position of relative strength instead of weakness. The DPRK would have what it wanted all along – the U.S. on its side.

Finally, the U.S. would destroy its alliance with South Korea. The U.S. would no longer honor its security treaty with the ROK because it would have also to protect North Korea from Southern aggression. North Korea's power relative to the South would increase, and this might lead to the problem of the U.S. having to defend both sides from one another.

## **G.     DISENGAGE**

The U.S. could not back out of directly influencing the actions of both North and South Korea and still meet its contractual obligations of the Agreed Framework and the Mutual Defense Treaty of 1954. This policy option would present few advantages while presenting a host of new problems to the Korean peninsula. The only advantage of the U.S. disengaging from the Korea peninsula would be that the two sides would have to interact. The DPRK and the ROK would have to create new avenues or use existing

methods to communicate with one another. Showing each side that the other is not the enemy could potentially solve problems; communication could lead to reunification.

There is also a downside to Korean interaction in the absence of U.S. engagement. First, if both sides were forced to interact, they might just opt to fight. The history of North and South Korea is such that they prepare for war while talking of reunification. Each side has its propaganda and rhetoric that accuses the other of trying to subvert the government. Second, if the U.S. removed itself from the region it would lose the ability to shape the region and define the stability of the Korean peninsula. The U.S. could not honor its National Security Strategy of Engagement and Enlargement while disengaging.

Third, if the U.S. disengaged from the region, a power vacuum would be left to be filled. The PRC would assert its influence and shape the region in its own national interests. These national interests might or might not conform to the U.S. national interests. The probability that the non-proliferation strategy would continue would have to be recalculated. The potential for increased economic ties between the ROK and the PRC would increase. The likelihood that North Korea would collapse in a hard landing would increase because the PRC would have no contractual obligation to support the DPRK, although the PRC does have incentives to guide the DPRK to a soft landing. The PRC's national interests include limiting the possibility of a renewed Korean civil war and boosting its international image as a power. U.S. disengagement could mean increased PRC engagement on the Korean peninsula.

Fourth, if the U.S. disengaged from the region it would back out of both a treaty commitment to South Korea and a contractual agreement with North Korea. By reneging on the Agreed Framework with the DPRK, the U.S. would undermine its credibility in the international system. The battle to stop the spread of nuclear weapons would suffer because nuclear bargaining would be viewed as a powerful option for many weaker states. Disengagement from the Korean peninsula would also destroy the U.S. security relationship with the ROK. The potential pitfalls of U.S. disengagement from the Korean

peninsula far out-weigh the expected returns of creating a reason for North-South dialogue.

## **VI. NATION-REACTION DEVELOPMENT**

Using each nation's goals on the Korean peninsula and the U.S. foreign-policy options already developed, the ability of each nation to achieve its goals under each U.S. foreign policy will be determined. My subjective evaluation of each nation's ability to achieve its goals on the Korean peninsula will be represented in a matrix by a positive, neutral, or negative rating (Table 8, Chapter VII). If a nation can achieve its goals, then it is expected to support the U.S. foreign-policy option that will allow it to achieve its goals and a positive rating is indicated. If a nation cannot achieve its goals under a U.S. foreign-policy option, then it will not support that policy option and a negative rating is indicated. If a nation achieves some of its goals under a U.S. foreign-policy option, then it will neither support nor attack that policy option and a neutral rating is indicated. A histogram is used to graphically represent my subjective evaluation of the ability of a nation to achieve its goals under each U.S. foreign-policy option so that the best one can be recommended (Table 9, Chapter VII). The best one has the most positive ratings, and the least neutral and negative ratings. Before the histogram can be developed, the subjective evaluation of each nation's ability to achieve its goals under each U.S. foreign-policy option will be completed.

## A. U.S. POLICY OPTION CHARACTERISTICS

Tables 1 and 2 summarize the characteristics of each U.S. foreign-policy option as derived from Chapter V.

Policy Option	Characteristics
<b>Status Quo</b>	<ul style="list-style-type: none"> <li>• ambiguous U.S. policy</li> <li>• does not build trust</li> <li>• may cause DPRK and ROK to disengage</li> <li>• ROK may move away from the U.S.</li> <li>• continues the DPRK "Squeaky Wheel"</li> </ul>
<b>Mediate</b>	<ul style="list-style-type: none"> <li>• forces ROK-DPRK interaction to resolve the conflict</li> <li>• PRC no longer required to back the DPRK by default</li> <li>• ROK may disengage because of U.S. backing DPRK thinking</li> <li>• U.S. remains engaged on the peninsula</li> <li>• maintains stability</li> <li>• PRC may feel forced out</li> <li>• ROK legitimized in DPRK eyes</li> <li>• U.S. may have to defend DPRK interests</li> <li>• PRC may feel pressured to exert its "rightful" influence</li> </ul>
<b>Takeover</b>	<ul style="list-style-type: none"> <li>• U.S. controls the situation</li> <li>• DPRK sees U.S. action as a threat</li> <li>• ROK feels U.S. has overstepped its authority</li> <li>• renews the Korean peninsula conflict</li> <li>• U.S. interference irritates the PRC</li> <li>• renewed tensions on the peninsula caused by the U.S. troubles Japan</li> </ul>
<b>Pro DPRK</b>	<ul style="list-style-type: none"> <li>• Japan moves away from the U.S.</li> <li>• ROK moves away from the U.S.</li> <li>• PRC questions U.S. interest in the DRPK</li> <li>• DPRK, lost for an answer, possibly sees this as a threat</li> <li>• Korean conflict continues</li> <li>• DPRK's nuclear brinkmanship is justified</li> </ul>

**Table 1. Summary of U.S. Policy Characteristics.**

<b>Policy Option</b>	<b>Characteristics</b>
<b>Pro ROK</b>	<ul style="list-style-type: none"> <li>• ROK satisfied with its traditional role</li> <li>• DPRK is forced back to the traditional conflict</li> <li>• PRC must choose sides (by default with DPRK)</li> <li>• Japan satisfied with vilifying the DPRK</li> <li>• the conflict continues</li> <li>• isolates the DPRK economically</li> <li>• DPRK returns to nuclear brinkmanship</li> <li>• necessitates a U.S. military buildup</li> <li>• heightens tensions for Japan</li> </ul>
<b>Guarantee</b>	<ul style="list-style-type: none"> <li>• forces ROK-DPRK interaction</li> <li>• places U.S. interest first</li> <li>• may antagonize the DPRK</li> <li>• may renew the Korea conflict</li> <li>• DPRK bargaining position increased relative to the ROK</li> <li>• U.S. decision to support DPRK interests irritates the ROK</li> <li>• PRC questions U.S. motives</li> <li>• U.S. decision to support the DPRK troubles Japan</li> </ul>
<b>Disengage</b>	<ul style="list-style-type: none"> <li>• forces ROK-DPRK interaction for good or bad</li> <li>• U.S. cannot influence the region</li> <li>• PRC will move on to the peninsula</li> <li>• ROK may gravitate toward the PRC</li> <li>• creates the possibility for a DPRK economic collapse</li> <li>• U.S. undermines its credibility</li> <li>• destroys the U.S.-ROK relationship</li> <li>• justifies the DPRK's nuclear brinkmanship</li> </ul>

**Table 2. Summary of U.S. Policy Characteristics (cont.).**

## B. GOAL ACHIEVEMENT

### 1. People's Republic of China

Table 3 summarizes the goals of the PRC on the Korean peninsula.

Actor	Goals
PRC	<ol style="list-style-type: none"><li>1) Political<ul style="list-style-type: none"><li>• normalize relations with the DPRK</li><li>• enhance regional stability</li><li>• avoid any Korean conflict</li><li>• maintain influence on the peninsula</li><li>• transform the Sino-DPRK relationship</li><li>• maintain good Sino-U.S. relations</li><li>• foster the "middle kingdom" tradition</li></ul></li><li>2) Military<ul style="list-style-type: none"><li>• avoid any Korean conflict</li><li>• maintain ambiguous support for the DPRK</li><li>• sustain a nuclear-free peninsula</li></ul></li><li>3) Economic<ul style="list-style-type: none"><li>• avoid any economic collapse in the DPRK</li><li>• foster the Agreed Framework to improve the DPRK economy</li><li>• enhance the economic stability of the peninsula</li></ul></li></ol>

**Table 3. Summary of PRC Goals on the Korean Peninsula.**

#### *a. Status Quo*

This U.S. policy offers the best opportunity for the PRC to achieve its goals. First, the ambiguous nature of this U.S. policy allows the PRC to maintain normal political relations with the DPRK. In the PRC's eyes this will enhance regional stability, avoid a Korean conflict, and preserve its influence on the peninsula. The PRC will be able to transform its relationship with the DPRK to that of state-to-state instead of party-to-party. Furthermore, with a stable peninsula and benign U.S. engagement in the region,

the PRC can maintain good Sino-U.S. relations if it wished. All of these factors support the PRC's first goal of stable political relations.

Second, although this U.S. policy may encourage the DPRK's provocative "Squeaky Wheel" attitude, it nevertheless will allow the PRC to move towards its military interests on the peninsula. This U.S. policy averts a Korean conflict, sustains a nuclear-weapons-free peninsula, and allows the PRC to maintain an ambiguous level of support for the DPRK. For these reasons the status quo policy of the U.S. positively supports the achievement of the PRC's military goals. Third, the PRC can accomplish its economic goal under this U.S. policy. The current U.S. policy prevents a DPRK economic collapse, improves the DPRK economy through the Agreed Framework, and enhances the economic stability of the Korean peninsula.

*b. Mediate*

This U.S. policy would only partially support the PRC's goals on the Korean peninsula. First, since the U.S. plays a larger role on the Korean peninsula, the PRC would not have as great an opportunity to affect normal political relations on the Korean peninsula. While this option would prevent any Korean conflict and enhance regional stability, it would also change the Sino-DPRK relationship. The PRC would no longer be in the default position of having to back the DPRK. Furthermore, the PRC would be pushed out of the peninsula and would have to exert its "rightful" influence in a political confrontation with the United States. This U.S. policy option would not support the PRC's goal of normal political relations.

Second, the military interests and the economic concerns of the PRC would be supported by this U.S. policy option. The same reason that explains why the status quo option supports the PRC's economic and military interests applies here. This U.S. policy would avoid a Korean conflict, sustain a nuclear-weapons free peninsula, and allow the PRC to maintain an ambiguous level of support for the DPRK.

Third, the PRC's economic goals would be supported by this U.S. policy. The current U.S. policy avoids a DPRK economic collapse, improves the DPRK economy through the Agreed Framework, and enhances the economic stability of the Korean peninsula. The U.S. mediation option would only partially support the PRC's political, military, and economic goals on the Korean peninsula.

*c. Takeover*

This U.S. policy option would offer no benefits to help the PRC to achieve its goals. First, politically this option would not enhance regional stability nor avoid a Korean conflict. The PRC would be forced to change its ambiguous relationship with the DPRK and support a failing nation. This option does not allow the maintenance of good Sino-U.S. relations because of the apparent U.S. hegemony required for the U.S. takeover of the situation. The U.S. takeover policy would not allow the PRC to fulfill its political goals on the Korean peninsula.

Second, since a U.S. takeover would heighten ROK, DPRK, and Japanese fears of a renewed Korean conflict, the PRC's military interests would not be served. The PRC would be forced to side with the DPRK, and the major military tensions of the Cold War would be restored on the peninsula. Also, the DPRK could start up its nuclear program and destroy any chances of a nuclear-free Korean peninsula. This U.S. policy option does not support the PRC's military interests on the Korean peninsula.

Third, because of the renewed tensions on the Korean peninsula the possibility of the economic transformation of the DPRK would be destroyed. The ROK and Japan would be forced to remove economic support from the DPRK. The economic stability of the peninsula would be destroyed and the economic collapse of the DPRK would be certain. The Agreed Framework would be lost and any economic ties from KEDO would be destroyed. For these reasons this U.S. policy would not support the PRC's political, military, and economic goals on the Korean peninsula.

*d. Pro DPRK*

This highly unlikely U.S. policy option neither supports nor threatens PRC interests on the Korean peninsula. First, the political relations of the PRC would not be enhanced nor would they be lessened. On one hand, if the U.S. unilaterally backed the DPRK, then the PRC could still pursue normal relations with the DPRK, avoid a Korean conflict, and maintain good Sino-U.S. political connections. On the other hand, this U.S. policy might continue the Korean conflict as the ROK became more aggressive toward the U.S. and the DPRK, threatened the PRC's traditional relationship with the DPRK, and undermined regional stability as the ROK and Japan rearmed. Thus, the PRC's political agenda would not be clearly helped nor harmed.

Second, the military interests of the PRC on the Korean peninsula are neither threatened nor enhanced by a pro-DPRK policy. From one view, an all-out Korean conflict would be avoided, a nuclear-free Korean peninsula could be maintained, and the PRC could continue an ambiguous policy towards the DPRK. From the opposite view, the Korean conflict could continue, the ROK might start its own nuclear weapons program, and the PRC would be forced to question U.S. support of the DPRK.

Third, the economic interests of the PRC on the Korean peninsula would be supported in part and hampered in other respects. The DPRK could avoid economic collapse with direct U.S. support. At the same time, the economic ties between the two Koreas created by the Agreed Framework would be destroyed if the ROK pulled out of KEDO. The economic stability of the peninsula would be thrown into a state of flux. The PRC's political, military, and economic concerns on the peninsula would neither be supported nor hampered by this U.S. policy.

*e. Pro ROK*

However likely complete support by the U.S. is for the ROK, it offers little possibility for the PRC to meet its goals on the Korean peninsula. First, this policy does not support the PRC's political goal on the peninsula. This policy would return the U.S.

to its traditional role on the Korean peninsula. The Korean conflict would continue, the region would be destabilized, Sino-U.S. relations would be strained, and the PRC would be forced to choose sides. This U.S. policy would not allow the PRC to achieve its political goals on the Korean peninsula. Second, the PRC's military interests would not be served by this policy. The Korean conflict would continue and might even flare up, the PRC would be forced to take its traditional role supporting the DPRK, and the DPRK might restart its nuclear weapons program.

Third, the economic concerns of the PRC would not be served. The DPRK would be left in economic isolation. The PRC would be forced to support the DPRK to prevent its economic collapse. The Agreed Framework and its economic benefits would be scrapped. The economic stability of the Korean peninsula would be destroyed. None of these facts support the PRC's political, military, or economic goals on the Korean peninsula.

*f. Guarantee*

The U.S. policy option of guaranteeing both sides would only be slightly supportive of PRC goals on the Korean peninsula. First, the PRC's political goals would be neither supported nor threatened by this policy. On the one hand, a Korean conflict would be avoided and the stability of the region would be increased. On the other hand, the Sino-DPRK relationship would be threatened, the PRC's influence on the peninsula would be decreased, and Sino-U.S. relations would be strained.

Second, the PRC's military interests on the peninsula would neither be served nor put in jeopardy by this U.S. policy. The Korean conflict would be changed as the ROK moves away from the U.S. and the Mutual Defense Treaty. While the DPRK would remain nuclear weapons free the ROK might start up its program out of fear that the military balance on the peninsula might have been tipped. The PRC's traditional partner would be under U.S. influence and this would threaten the Chinese border with the DPRK.

Third, the U.S. guarantee option would support PRC economic concerns on the Korean peninsula. The DPRK would avoid economic collapse because of U.S. support. The PRC would not have to fortify the DPRK economically. The economic stability of the region would be increased because of U.S. aid. The U.S. would enforce the Agreed Framework and create the necessary economic ties on the peninsula required by KEDO. The U.S. guarantee option would only slightly support PRC goals on the peninsula.

*g. Disengage*

A U.S. policy of disengagement from political action on the Korean peninsula would detract from the possibility of the PRC achieving its goals on the Korean peninsula. First, the PRC's political goals would not be served or hindered. While regional stability might be threatened and the Korean conflict continued, the PRC could enhance its relationship with the DPRK and increase its influence on the peninsula. Second, the PRC's military interests on the Korean peninsula would be adversely affected. In all likelihood the Korean conflict would continue, the DPRK would restart its nuclear weapons program, and the PRC would have to support the DPRK politically in response to expected South Korean and Japanese political posturing.

Third, the economic concerns of the PRC would not be supported by a U.S. economic disengagement policy. The DPRK would become economically isolated, the economic benefits of the Agreed Framework and KEDO would be scrapped, and economic stability of the region would be undermined. Neither Japan nor the ROK could offer enough economic incentive to keep the DPRK from failing. The PRC would be forced to support the DPRK economically. This does not support the Chinese economic goals on the Korean peninsula.

## 2. Japan

Table 4 summarizes Japan's goals on the Korean peninsula.

Actor	Goals
Japan	<ol style="list-style-type: none"><li>1) Economic<ul style="list-style-type: none"><li>• KEDO creates interdependencies</li><li>• offer aid to create future economic ties</li><li>• show others the Japanese way</li></ul></li><li>2) Political<ul style="list-style-type: none"><li>• help neighbors</li><li>• increase environmental security</li><li>• support the U.S. non-proliferation regime</li><li>• enhance international credibility</li><li>• ensure a non-nuclear Korean peninsula</li><li>• support KEDO as a multilateral organization</li></ul></li><li>3) Military<ul style="list-style-type: none"><li>• avoid expanding the Japanese military</li><li>• keep U.S. military in the region</li></ul></li></ol>

**Table 4. Summary of Japanese Goals on the Korean Peninsula.**

### *a. Status Quo*

The current U.S. status quo policy allows Japan to achieve its economic goal while neither increasing nor decreasing the possibility of achieving its political and military goals. First, this policy supports Japan's economic goals because the continuation of KEDO creates economic interdependencies among Japan, the DPRK, and the ROK. Furthermore, this U.S. policy allows Japan to showcase its economic way and use multilateral methods of economic aid. Second, since this U.S. policy allows the DPRK to continue its "Squeaky Wheel" policy, Japan will neither increase nor decrease the possibility of accomplishing its goal of military security. While the U.S. will remain in the region and allow Japan to avoid the necessity of expanding its military, this policy may also renew Japanese domestic pressure to take a larger military role in the region.

Third, the current U.S. policy neither supports nor detracts from Japan's political security goals. On one hand, Japan can support the U.S. and its non-proliferation regime, help its neighbors, address a nuclear-waste environmental-security problem, and support KEDO as a multilateral organization. On the other hand, the ambiguous nature of this U.S. policy may cause the DPRK to move away from the U.S. if it feels threatened, may cause the ROK to disengage from KEDO, and may cause the DPRK to continue provocative actions such as shooting missiles over Japan. All of this adds up to a U.S. policy that does not support all of Japan's goals on the Korean peninsula.

*b. Mediate*

This U.S. policy option would support Japan's goals on the Korean peninsula in every way. First, Japan's economic security would be satisfied. The U.S. would remain engaged on the peninsula to ensure stability. This would cause more ROK-DPRK interaction that would, in turn, permit KEDO to create more Japan-ROK-DRPK economic interdependencies. Japan would be able to use its form of economic aid to ensure its place on the peninsula in the future. This would allow Japan to show others its multilateral approach.

Second, this U.S. policy of mediating the dispute would support Japan's political security goals. With a stable Korean peninsula in which all sides are talking, Japan would enhance its international credibility as a normal nation, support a multilateral organization through KEDO, ensure a non-nuclear Korean peninsula, back the U.S. non-proliferation regime, help its regional neighbors, and address a nuclear-waste-disposal problem. Third, this policy would support Japan's military goals. The U.S. would remain engaged in the region and decrease the necessity for Japan to expand its military. The U.S. policy of mediation allows Japan to achieve all of its economic, political, and military goals.

*c. Takeover*

This U.S. policy would not hinder nor help Japan's political and military goals but it would decrease the possibility of Japan reaching its economic goal on the peninsula. First, Japan's economic security would be threatened by this aggressive U.S. policy. Since the U.S. would enforce the Agreed Framework through diplomatic maneuvering and military action if necessary, the DPRK would again feel threatened and return to its U.S. centered adversarial relationship. Japan would not be able to show its way through the economic interdependencies created by KEDO.

Second, Japan would only be partially able to attain its political goals on the Korean peninsula if this U.S. policy is employed. While Japan would be able to support the U.S. non-proliferation regime, enhance its international credibility, and ensure a non-nuclear Korean peninsula, it would not be able to help its neighbors through benevolent means. Japan would not be able to address the environmental problems associated with North Korean nuclear waste nor would it be able to support KEDO as a multilateral organization.

Third, there are opposing forces straining the possibility of Japan attaining its military goal. On one hand, the U.S. military would remain in the region, thereby alleviating the need for Japan to expand its military. On the other hand, the U.S. would renew old tensions on the peninsula that could cause Japan to feel threatened. The U.S. policy option of taking over the Agreed Framework offers little for Japan to attain its goals.

*d. Pro DPRK*

A U.S. pro-DPRK policy option offers no possibility for Japan to attain its goals on the Korean peninsula. First, although the Agreed Framework would survive, the ROK would pull out of its obligations to KEDO. KEDO would be taken over by the U.S. and Japanese support of the organization would not be possible. Japan would be forced to pull its support of KEDO because U.S. direct support of the DPRK, as opposed to support

of the Agreed Framework, would threaten Japan's security. The economic ties between Japan, the DPRK, and the ROK would not be strengthened. Japan would not be able to showcase its economic policies through KEDO.

Second, with this U.S. policy Japan would not be able to accomplish its political security goals. Because KEDO as a multilateral organization would be destroyed Japan could not help its neighbor North Korea, could not address the environmental problem of nuclear-waste disposal, and could not support this new unilateral U.S. non-proliferation strategy. Furthermore, since the ROK might start up its own nuclear program, Japan could not ensure a non-nuclear Korean peninsula.

Third, this U.S. policy offers nothing to enhance the possibility of Japan reaching its military goal on the peninsula. The DPRK's strategy of nuclear brinkmanship would be justified because the DPRK would get what it always wanted – a bilateral U.S.-DPRK relationship. The U.S. would have to break its mutual defense treaty with the ROK. Both of these facts would lead one to believe that the ROK would have to rearm and explore a nuclear-weapons option. Japan would have no alternative but to expand its military to hedge against both another Korean conflict and confusing U.S. action. This U.S. policy does not support Japanese economic, political, or military goals on the Korean peninsula.

*e. Pro ROK*

This U.S. policy neither helps nor hinders Japan in attaining its goals on the Korean peninsula. First, if the U.S. chooses to back the ROK yet still honor the Agreed Framework, then Japan would still have its economic inroad into North Korea. The DPRK would most likely continue to accept economic support, although the balance of the Agreed Framework would have shifted toward the ROK. Japan could still use KEDO to create interdependencies, aid the DPRK through economic means, and show the Japanese way.

Second, the political security of Japan would not suffer from this U.S. policy. On one hand, Japan could still use KEDO to help its neighbors, support a U.S. non-proliferation regime, and ensure a non-nuclear Korean peninsula. On the other, hand Japan might not be able to address North Korea's nuclear-waste-disposal problem, enhance its international credibility through support of KEDO, or ensure a non-nuclear peninsula because the DPRK might feel threatened by this U.S. policy and renew its hostile relationship with the ROK, the U.S., and Japan.

Third, a traditional pro-ROK U.S. policy would allow Japan to attain its military goal on the Korean peninsula. The U.S. would have to return to its customary role as defender of the ROK and thus expand its military presence. Japan would not have to expand its military and would not have to take increased steps to protect itself because the U.S. would have to bolster its forces in Japan. This U.S. policy neither hinders nor helps Japan attain its economic or political goals and might even allow Japan to achieve its military goal on the Korean peninsula.

*f. Guarantee*

This U.S. policy combines the benefits of the mediation position with the risks of the pro-DPRK option, and thus does not help nor hinder Japan in achieving its goals on the peninsula. First, Japan's economic goal would not be threatened. The Agreed Framework and KEDO would remain intact and provide Japan with an avenue to create economic interdependencies on the peninsula. The problem is that Japan could find it difficult to support KEDO economically because U.S. economic support of the DRPK would put North Korea in a powerful bargaining position. The Japanese economy and U.S. aid to the DPRK might give Japanese leaders an excuse not to fund KEDO.

Second, Japan would be able to attain some of the key aspects of its political goals on the peninsula. Japan would be able to help North Korea, address the environmental nuclear-waste problem, support U.S. non-proliferation efforts, enhance its international credibility through support of a multilateral organization, and ensure a non-

nuclear Korean peninsula. A problem arises because the ROK might feel slighted by U.S. backing of the DPRK or the DPRK might feel that the U.S. had changed the rules of negotiation in order to encourage it to bargain directly with the ROK. The DPRK might continue its brinkmanship.

Third, this U.S. policy does not support or block Japan's quest for its military goal on the peninsula. The U.S. military would remain at its current force-level in the region. While this is a ready excuse for Japan not to expand its military, there is also the possibility that North Korea would continue its "Squeaky Wheel" policy with regard to the Agreed Framework. Another DPRK ballistic-missile test over Japan would ignite the military-expansion debate. This U.S. policy of guaranteeing both sides does not necessarily help or hinder the Japanese in achieving their goals on the Korean peninsula.

*g. Disengage*

U.S. disengagement from the Korean peninsula would have an impact on the ability of Japan to accomplish its economic, political, and military goals. First, if the U.S. were to back out of the Korean peninsula then the possibility of an economic collapse by the DPRK would increase. If KEDO withstood such a collapse, then Japan could still use it to promote economic interdependence, aid North Korea, and show the Japanese way. However, this is highly unlikely and, therefore, simply shows that this U.S. option offers nothing to support or impede Japan in attaining its economic goal.

Second, this U.S. policy does not assist Japan in achieving its political goals on the peninsula. If the U.S. disengaged from the peninsula the PRC would exert greater influence on the peninsula, North Korea's nuclear brinkmanship would be justified, the Korean conflict might restart, the U.S. non-proliferation regime would be assaulted, and the DPRK would most likely restart its nuclear-weapons program. Japan would not be able to gain international credibility (through support of the U.S. non-proliferation regime), help its neighbors, address the North Korean nuclear-waste program, or ensure a non-nuclear Korean peninsula.

Third, this U.S. policy would go against Japan's military goal on the peninsula. The U.S. would leave the region. Although this situation is unlikely, this U.S. action would force the ROK to expand its military capability and possibly restart its nuclear-weapons program. Japan could no longer rely on the U.S. military for its defense. Japan would have to expand its military against its national predisposition not to take such an action. Japan could not achieve its military goals on the Korean peninsula.

### 3. Democratic People's Republic of Korea

Table 5 summarizes the DPRK's goals on the Korean peninsula.

Actor	Goals
DPRK	<ol style="list-style-type: none"> <li>1) National Sovereignty <ul style="list-style-type: none"> <li>• gain unilateral U.S. recognition</li> <li>• keep the ROK out of the process</li> </ul> </li> <li>2) Security <ul style="list-style-type: none"> <li>• employ negotiation and brinkmanship rather than military confrontation</li> </ul> </li> <li>3) Political Leverage <ul style="list-style-type: none"> <li>• demand the obligations of the Agreed Framework</li> <li>• pursue the "America Only" policy</li> <li>• pursue the "Squeaky Wheel" policy</li> <li>• obtain foreign aid while minimizing penetration</li> </ul> </li> </ol>

**Table 5. Summary of DPRK Goals on the Korean Peninsula.**

#### a. *Status Quo*

The ambiguous nature of this U.S. policy both helps and hinders the DPRK's ability to achieve its goals on the Korean peninsula. First, North Korea cannot ensure its national sovereignty, as it understands it. The DPRK wishes to negotiate with the U.S. bilaterally and avoid all ties to the ROK. The ROK is part of the Agreed Framework through KEDO. The DPRK cannot enhance its domestic legitimacy and undermine South Korea's international credibility by keeping the ROK out of the

dialogue because of the ROK's main role in KEDO. This U.S. policy does not let the DPRK accomplish its national sovereignty goal.

Second, the DPRK's security is not increased or decreased by the current U.S. policy. This U.S. policy does not build the trust of either side, so the possibility of renewed conflict always exists. North Korea will rather negotiate with the U.S., use brinkmanship to address problems of the Agreed Framework, and avoid military confrontation. Unfortunately for the DPRK the current U.S. policy involves both a carrot and a stick. The DPRK should consider the possibility that it can face another military showdown with the U.S., and plan for such an occasion.

Third, the current U.S. policy supports the DPRK's goal of increasing its political leverage. Since the policy is ambiguous, it allows the DPRK to demand the promises of the Agreed Framework, continue its "America Only" policy, and use its "Squeaky Wheel" methodology when necessary. The DPRK can thus achieve its goal of increased political leverage. The current U.S. policy reduces the DPRK's ability to achieve its sovereignty and security goals while increasing the likelihood of it attaining its political goal.

*b. Mediate*

The U.S. policy option of mediation would not support the DPRK's sovereignty, security, or political goals. First, this U.S. policy would undermine North Korean sovereignty by forcing the ROK to take a greater role in the Agreed Framework and KEDO. The DPRK would fail to keep the ROK from becoming further entrenched in the agreement and destroying North Korean national sovereignty through economic and diplomatic interaction.

Second, the DPRK would be able to continue to increase its security, but at a price that would not make this approach optimal. While the DPRK could continue its negotiating style of brinkmanship, it would have to plan for the possibility of military confrontation with the United States. Since the U.S. would remove itself from its position

of primacy and place the ROK and DPRK at the front of the negotiating table, any transgressions by either side would be met by swift punishment. The U.S. would be forced into this position because it would lose diplomatic influence and have to resort to using a stick to keep the Agreed Framework on track.

Third, this U.S. policy option would not allow the DPRK to attain its goal of increased political leverage. Since the U.S. would be moved out of its primary position and into a referee's role, it would have to enforce its wishes through threat. While the obligations of the Agreed Framework and KEDO would still be met, the DPRK could not use provocative measures to voice its displeasure with the proceedings. If the DPRK took aggressive measures to elicit a U.S. response, the U.S. would have to use punishment instead of appeasement to obtain what it wanted. The DPRK would lose its brinkmanship bargaining methodology. This U.S. policy of mediation offers little to help the DPRK achieve its sovereignty, security, and political goals.

*c. Takeover*

If the U.S. took over the Agreed Framework, the DPRK would have no chance at achieving its goals on the peninsula. First, the ROK would be moved back into its client-state status, and this would work contrary to DPRK wishes. The DPRK would be forced to recognize the ROK for fear of U.S. punishment. The DPRK would not attain its goal of unilateral recognition by the U.S. nor keep the ROK out of the proceedings.

Second, since this U.S. policy would renew old tensions on the peninsula, the DPRK would not move towards its goal of increased security. Any DPRK provocative action through nuclear brinkmanship would be dealt with severely by the United States. The DPRK would lose its ability to negotiate with the U.S. and be forced either to accept U.S. demands or reject such proposals and prepare for military action. This U.S. policy and its consequences would decrease the DPRK's security.

Third, the DPRK would not increase its political leverage. As just explained, this U.S. policy would eliminate the opportunity for the DPRK to negotiate

and use brinkmanship to get its way. The DPRK could not demand the obligations of the Agreed Framework owed to it by the U.S. nor use its "America Only" or "Squeaky Wheel" methodologies. Any such action by the DPRK would be met with swift U.S. punishment. If the U.S. took over the Agreed Framework and KEDO, then the DPRK could not attain its sovereignty, security, or political goals.

*d. Pro DPRK*

A U.S. policy of backing the DPRK would neither help nor hinder North Korea. First, the DPRK's national sovereignty would neither be threatened nor supported by the United States. The DPRK would continue a unilateral relationship with the U.S. and keep the ROK out of the Agreed Framework process. In return, the DPRK would have to surrender its autonomy in making decisions regarding the Agreed Framework. The DPRK would not trust the U.S. anyway because of historical differences, and would always suspect it of laying a diplomatic trap.

Second, for the same reasons as just explained, the DPRK would not attain its goals of increased security. If the U.S. sided with the DPRK to encourage it to stop its nuclear-weapons program, then North Korea's negotiation style through brinkmanship would be justified. Furthermore, the DPRK would accept U.S. political and economic support at the expense of the ROK. However, the DPRK could not let the U.S. back it because of deeply rooted differences based on a past where there was little trust. The DPRK might have to resist any U.S. effort to side with it.

Third, the DPRK would not be able to increase its political leverage through its negotiation tactics. The DPRK could no longer demand the obligations of the Agreed Framework through its "America Only" and "Squeaky Wheel" methodology because the U.S. would already be on its side. The only way the DPRK could increase its political leverage with the U.S. would be by changing its political system and softening its ways. The DPRK could not show this kind of weakness to its people unless it was

woulding to risk a revolution. This U.S. policy would neither assist nor stop the DPRK from reaching its sovereignty, security, or political goals.

*e. Pro ROK*

A pro-ROK U.S. policy would return the Korean peninsula to its Cold War status filled with animosity and tension. This policy would not allow the DPRK to reach its goals. First, if the U.S. backed the ROK the DPRK's national sovereignty goal would be undermined. The DPRK would not enjoy a unilateral relationship with the U.S. and would be forced into dealing with the ROK. The DPRK would become economically isolated from the U.S. and have to turn to either the ROK, the PRC, or Japan. All of these options would violate North Korea's determined sovereignty issues.

Second, the DPRK could not attain its goal of increased security. If the U.S. backed the ROK, then the PRC would have to choose a side and, most likely, a traditional standoff would take place on the peninsula. The DPRK would lose its ability to use brinkmanship and would have to resort to provocative measures to elicit a U.S. response. The most likely result would be U.S. military action.

Third, the DPRK would no longer be in a position to increase its political leverage. The DPRK could not demand what it felt it was owed through the Agreed Framework by using its "America Only" and "Squeaky Wheel" policies. Any provocative action by the DPRK would be met by U.S. sanctions, and that would most likely degenerate into U.S. military action. The DPRK would only lose in this situation. The DPRK would gain nothing from this U.S. policy.

*f. Guarantee*

This U.S. policy option, although highly unlikely, offers the DPRK the best chance to achieve all of its goals on the Korean peninsula. First, the DPRK's sovereignty would be strengthened by a U.S. guarantee of support. While the DPRK could maintain a unilateral relationship with the U.S., it would also have to address the

ROK because of its role in KEDO. Although this is not optimal for the DPRK, this policy nevertheless offers the best chance for the DPRK to maintain its sense of sovereignty.

Second, the DPRK would achieve its goal of increased security. A U.S. promise to manage both sides of the dispute effectively would allow the DPRK to continue its manipulative negotiation style. The DPRK could continue to use provocative actions and brinkmanship to ensure that the U.S. keeps its obligations under the Agreed Framework. The U.S. would continue its appeasing policies instead of igniting the Korean conflict once again through military force.

Third, the DPRK could increase its political leverage under a U.S. guarantee policy. Although the U.S. would ensure (through the carrots associated with the Agreed Framework) that it got what it wanted, the DPRK would increase its bargaining position relative to the ROK because of U.S. backing. Furthermore, the DPRK could continue its policy of demanding what it was promised in the Agreed Framework without the worry of an immediate U.S. military response. The U.S. guarantee policy would allow the DPRK to maintain its sovereignty, increase its security, and increase its political leverage on the Korean peninsula.

*g. Disengage*

A U.S. disengagement policy would allow the DPRK to attain some of its goals on the peninsula. First, the DPRK could maintain its unilateral relationship with the U.S. through the Agreed Framework if the U.S. continued to honor the contract. At a minimum, the DPRK would keep the ROK out of the negotiation and could move closer to the PRC without upsetting the Agreed Framework's notion of sovereignty.

Second, the DPRK would increase its security but at a cost. Disengagement by the U.S. would probably mean that the Agreed Framework would lose its momentum, and this would undermine U.S. credibility, possibly causing the ROK to halt its economic interaction with North Korea. The DPRK would no longer have to worry about the possible regime-destabilizing effects of ROK economic enterprises

invading North Korea under the auspices of KEDO. Furthermore, the DPRK's policy of brinkmanship would be shown to work, further increasing its security because no nation would chance the same embarrassment that the U.S. suffered.

Third, the DPRK would increase its political leverage. If the U.S. backed out of the process, then it would gain an unparalleled political trump card from its nuclear program, although it might lose some of the incentives of the Agreed Framework. The U.S. would lose credibility and status in the Asian community. The DPRK could continue its "America Only" and "Squeaky Wheel" practices to extort economic benefits from the United States. A U.S. policy of disengagement would allow the DPRK partially to achieve its sovereignty goal and secure its goals of increased security and increased political leverage.

#### 4. Republic of Korea

Table 6 summarizes the ROK's goals on the Korean peninsula.

Actor	Goals
ROK	<ol style="list-style-type: none"> <li>1) Reunification <ul style="list-style-type: none"> <li>• promote it through KEDO</li> <li>• promote it through the "Sunshine Policy"</li> </ul> </li> <li>2) Security <ul style="list-style-type: none"> <li>• engage the DPRK with U.S support</li> </ul> </li> <li>3) Economic Opportunity <ul style="list-style-type: none"> <li>• develop infrastructure on the Korean peninsula</li> <li>• showcase light water reactor technology</li> <li>• maintain "Sunshine Policy"</li> </ul> </li> </ol>

**Table 6. Summary of ROK Goals on the Korean Peninsula.**

##### *a. Status Quo*

The current U.S. policy neither supports nor detracts from the ROK achieving its goals on the Korean peninsula. First, today's U.S policy only partially supports the ROK's goal of promoting reunification. The ROK understands the benefits

of using KEDO and the Agreed Framework as an economic inroad into its northern neighbor. Furthermore the ROK's "Sunshine Policy" takes advantage of the DPRK's great need for economic support. The problem is that the current U.S. policy is far too ambiguous to help the ROK achieve its goal of reunification through economic incentive. The current U.S. policy has not built trust in the DPRK and thus North Korea is simply using economic help to get through bad times and not letting the ROK subvert the government through its "Sunshine Policy."

Second, the current U.S. policy stabilizes the Korea peninsula, and thus the ROK can partially achieve its goal of increased security. The Agreed Framework allows the ROK to engage the DPRK in diplomatic talks under U.S. auspices. There is always the chance of provocative action by the DPRK, but it is much less intense than in the past, so the ROK is more secure.

Third, the current U.S. policy lets the ROK increase its economic opportunities. KEDO can be used by the ROK to develop economic infrastructure on the peninsula, showcase its light water reactor technology, and continue the "Sunshine Policy." Even with the possibility of continued economic opportunity for the ROK, today's U.S. policy does not offer much to promote reunification or enhance the security of South Korea.

*b. Mediate*

If the U.S. mediated the Agreed Framework and supported the ROK's and the DPRK's positions, then South Korea would be able to achieve some of its goals on the Korean peninsula. First, the ROK would be able to promote reunification on its terms. The ROK would be able to take a more active role in KEDO with little notice from the DPRK, as the players and their intentions would appear not to have changed. By using both KEDO and expanding the "Sunshine Policy" as opportunity presents, the ROK would be able to move the DPRK towards economic stability and open dialogue. Of course, the conflict might continue, but with increased communication would come the

opportunity for the ROK to showcase its ways to the people of North Korea. Change would occur at a slow and controlled pace. The chance for conflict would be minimized with the knowledge that the ROK could slow the process to ease pressure.

Second, a more active role by the ROK, as created by the U.S. moving to a mediator's position, might allow the ROK to enhance its security. The ROK simply wants to use the Agreed Framework and KEDO to defuse the tensions between itself and the DPRK in the same way that this policy allows for the promotion of reunification. The U.S. would continue to promote its vision of the future on the peninsula, which is very much in line with that of the ROK. Alternately, the ROK's would lose the traditional backing of the United States. The ROK's security would neither be increased nor decreased.

Third, this U.S. policy would increase economic opportunities for the ROK. With both a healthy Agreed Framework and KEDO, the ROK would be able to develop the economic infrastructure of the peninsula, showcase its light water reactor technology, and maintain its "Sunshine Policy." The U.S. mediation option would let the ROK achieve its reunification, security, and economic goals on the Korean peninsula.

*c. Takeover*

The takeover option of the U.S. does not support the possibility of the ROK achieving its goals on the Korean peninsula. First, the ROK would not be able to promote reunification in a hostile environment. Although the Agreed Framework and KEDO would remain intact, the usefulness of these structures would be suspect. The DPRK would not trust renewed U.S. hegemony on the peninsula, and KEDO and the "Sunshine Policy" would lose their ability to create opportunities.

Second, this U.S. policy would neither increase nor decrease the security of the ROK. While the ROK would benefit from increased U.S. interest in and presence on the peninsula, the possibility of the ROK using the Agreed Framework to build dialogue with the DPRK would decrease. Additionally, the heightened tension created by

U.S. action could provoke ever more aggressive DPRK behavior. The ROK would gain U.S. protection, but lose DPRK moderation.

Third, the ROK would lose its economic opportunities in North Korea. Because of the heightened mistrust of the U.S. by the DPRK, the ROK would not be trusted. The ROK "Sunshine Policy" would encounter a roadblock at the border, and thus economic infrastructure on the peninsula would suffer. The ROK might even lose the chance to build the light water reactors if the DPRK sought again to negotiate the contract in light of U.S. action. The U.S. takeover policy option offers little chance for the ROK to achieve its reunification, security, or economic goals on the peninsula.

*d. Pro DPRK*

The pro-DPRK U.S. policy option does not support the ROK's goals on the Korean peninsula. First, the ROK would not be able to accomplish its reunification goal. If the U.S. sided with the DPRK, then Japan would most likely remove its support of KEDO, the DPRK would be put in a position of power relative to the ROK, and the DPRK's nuclear brinkmanship would be validated. The ROK would provide funding for KEDO, but would probably be forced out of the light water reactor contract because the DPRK did not want the ROK to build the reactors in the first place. The ROK's "Sunshine Policy" would become nothing more than an avenue for ROK money to be pulled into the DPRK without the benefit of developing economic infrastructure on the peninsula.

Second, if the U.S. backed the DPRK, then the ROK's security would not be enhanced. The ROK would have to question the validity of the Mutual Defense Treaty with the United States and its role in KEDO. The ROK could not engage the DPRK through the Agreed Framework or KEDO with U.S. support. Third, the ROK could not increase its economic opportunities if the U.S. backed the DPRK. The ROK's "Sunshine Policy" would become a one-way process with little hope for infrastructure to be built connecting the two Koreas. The DPRK could easily maneuver the U.S. into building the

light water reactors, thus cutting the ROK out of the contract. The ROK would not be able to showcase its light water reactor technology. A pro-DPRK U.S. policy would not allow the ROK to attain its reunification, security, or economic goals on the Korean peninsula.

*e. Pro ROK*

A pro-ROK U.S. policy would allow the ROK to partially fulfill its goals. First, the ROK would be able to promote its reunification policy. The ROK could continue to use its "Sunshine Policy" and KEDO to try to penetrate the DPRK. Although the DPRK would probably revert to its traditional anti-U.S. and anti-ROK status, it would have to acknowledge the economic benefits of working with the ROK. The DPRK would have to choose between economic collapse or ROK help. The ROK would move the peninsula along towards reunification even without the DPRK's help.

Second, the ROK's security would neither be enhanced nor detracted from if the U.S. picked a pro-ROK policy. If the DPRK chose to accept the Agreed Framework and continue the economic development of its nation, then the ROK could engage the DPRK and increase its security. Also, with the U.S. on its side, the ROK would be back under the traditional umbrella of U.S. protection. Unfortunately this scenario could return the peninsula to conflict, economically isolate the DPRK, and return the DPRK to nuclear brinkmanship.

Third, the ROK probably could not increase its economic opportunities if the U.S. backed the ROK. Traditional peninsular animosity would force the DPRK into a defensive posture. The DPRK would accept aid through both the Agreed Framework and KEDO, but this would only be a one-way relationship. The ROK would not get the infrastructure-building that it would want from the "Sunshine Policy." Also, the possibility that the DPRK would allow the ROK to build the light water reactors would diminish. The ROK would not be able to showcase its light water reactor technology if

the DPRK refused to let it build the reactors. A pro-ROK U.S. policy neither hinders nor helps the ROK achieve its goals on the Korean peninsula.

*f. Guarantee*

This U.S. policy option of playing both sides would neither help nor hinder the ROK in attaining its goals on the Korean peninsula. First, the ROK could promote reunification, but its effectiveness would be less than optimal. While the Agreed Framework and KEDO would remain intact, the ability of the ROK to work through these institutions would be suspect. The DPRK might consider this change in U.S. policy a breach of contract and use provocative actions to get what it wants. One of the DPRK's first actions might be to suspend interaction with the ROK, including the economic benefits of the "Sunshine Policy."

Second, this U.S. policy option would not allow the ROK to enhance its security. This U.S. policy would level the playing field between the ROK and the DPRK, thus increasing the DPRK's bargaining position. The DPRK might increase its provocation to extract more economic incentives to stop such actions. The Korean peninsula would become increasingly unstable until the DPRK thought there was nothing left to extract from the U.S. and the ROK. The ROK would lose its bargaining position and suffer a decrease in its security. Of course, the ROK would always have the backing of the U.S. if the DPRK took any aggressive action

Third, this U.S. policy neither helps nor hinders the ROK's ability to increase economic opportunity. If the DPRK accepted this change of U.S. policy in stride, then the prospects of continued interaction would be good. The ROK could expect to develop the economic infrastructure on the peninsula, showcase its light water reactor technology through KEDO, and maintain the economic benefits of the "Sunshine Policy." If the DPRK refused to bargain with the ROK however, then the ROK would not have the chance to increase economic opportunities both on the peninsula and internationally. This

U.S. policy neither helps nor hinders the ROK to achieve its reunification, security, and economic goals on the Korean peninsula.

*g. Disengage*

This U.S. option does not support any ROK goal on the Korean peninsula. First, this policy would not support the ROK's goal of promoting reunification. If the U.S. were to disengage from the peninsula then the Agreed Framework would essentially be destroyed. The DPRK has stated that it would not work directly with the ROK. If KEDO falls apart then a main avenue of dialogue between the DPRK and the ROK would be destroyed. Furthermore, the traditional conflict on the peninsula would erupt and the "Sunshine Policy" would no longer be effective on the peninsula.

Second, this U.S. policy would not support the ROK's goal of enhanced security. The ROK would lose its historic supporter, and the DPRK would become economically isolated. The possibility of ROK-DPRK interaction through the Agreed Framework would be low because of the historic tension between the two. The DPRK would hang on the edge of economic collapse and the ROK would have to search for a new partner to enhance its security. The ROK might move towards the PRC.

Third, this U.S. policy would partially fulfill the ROK's goal of increased economic opportunity. With the U.S. gone, the DPRK would be left to find another economic benefactor. That economic benefactor could be the PRC or even the ROK. The ROK might be able to move closer to the DPRK through economic means and start to develop economic infrastructure on the peninsula. Furthermore, the ROK might be able to maintain the "Sunshine Policy" and help the DPRK with its energy needs. The requisite DPRK decision-making necessary for this is unlikely to occur. The DPRK would most likely accept economic support, but offer nothing in return. A U.S. policy of disengagement offers no support for the ROK to achieve its reunification, security, or economic goals.

## VII. U.S. FOREIGN-POLICY OUTCOME ANALYSIS

### A. UNITED STATES GOALS

Table 7 summarizes the U.S. goals on the Korean peninsula.

Actor	Goals
U.S.	<ol style="list-style-type: none"><li>1) Security<ul style="list-style-type: none"><li>• use Agreed Framework to stop the DPRK nuclear weapons program</li><li>• move peninsula towards reunification</li></ul></li><li>2) Democracy<ul style="list-style-type: none"><li>• foster legitimacy of the ROK</li><li>• create DPRK-ROK dialogue and ties</li></ul></li><li>3) Economic Opportunity<ul style="list-style-type: none"><li>• develop DPRK economy</li><li>• enhance DPRK-ROK ties</li><li>• avoid economic collapse by the DPRK</li></ul></li></ol>

Table 7. Summary of U.S. Goals on the Korean Peninsula.

### B. ANALYSIS OF DATA

#### 1. Status Quo

The DPRK has the luxury of maneuvering room within the current U.S. policy. The DPRK has proved repeatedly that it will use its "Squeaky Wheel" and "America Only" methodologies to ensure that the U.S. meets its obligations under the Agreed Framework. The DPRK does not trust U.S. motives with respect to the Agreed Framework, and this is justified because the U.S. has not officially stated the end-result of a completed contract with the DPRK. Although the U.S. intends to use KEDO to foster ROK-DPRK interaction, it is not clear that this will succeed. The DPRK has already tried

to keep the ROK out of the supply contract and only accepted their involvement because of its desperate economic situation. As the DPRK becomes economically stronger with U.S. help, it will most likely increase its anti-ROK rhetoric. The DPRK does not want the ROK involved in the light water reactor project.

The U.S. can achieve some of its goals if it maintains its current policy towards the Korean peninsula. First, the U.S. will enhance its security with its current policy. Although this U.S. policy is ambiguous, it nevertheless can be used to create a basis for peninsular reunification by encouraging ROK-DPRK interaction. By maintaining the Agreed Framework and KEDO, the U.S. will encourage the DPRK to continue to forego its nuclear-weapons program. The DPRK will also continue its "Squeaky Wheel" method of ensuring that the Agreed Framework is maintained. The ROK can engage the DPRK through KEDO. The U.S. can achieve its primary goal to stop the North Korean nuclear weapons program.

Second, the current U.S. policy neither helps nor hinders the U.S. promotion of democracy on the Korean peninsula. On one hand, the Agreed Framework and KEDO can foster the legitimacy of the ROK and its governmental system. Additionally, the Agreed Framework and KEDO can create a ROK and DPRK dialogue where little existed before. On the other hand, the ambiguous nature of the current U.S. policy does not build DPRK trust. The DPRK will continue to "Squeak" for its oil and use provocative actions to ensure that it is not ignored. Continued DPRK provocation may reverse the ROK's economic-engagement strategy.

Third, the current policy has increased economic opportunity for the U.S., but this is no guarantee of success in the future. In the current status, the Agreed Framework and KEDO will allow for the economic development of the DPRK, enhance DPRK-ROK ties, and help avoid economic collapse in the DPRK. The problems are that as the DPRK muddles through its economic uncertainty, it may stop the "Sunshine Policy" of the ROK and limit its interaction with the ROK with respect to the light water reactor project. In

the future, the DPRK may just close the door on all but the most essential economic incentives of the U.S. and the ROK because the current U.S. policy does not build DPRK trust.

## **2. Mediate**

To mediate the Korean-peninsula dispute, the U.S. would have to state its relationship with the ROK and the DPRK. The U.S. would clearly have to honor both the Mutual Defense Treaty with the ROK and the Agreed Framework with the DPRK. This would be a change from current policy because today the U.S. does not recognize two nations on the Korean peninsula with two separate agendas. The ROK and the DPRK both want reunification, but on their own terms. Both want security and economic prosperity for their people. Both want the other to put aside hatred and join them in peace. Both sides need a referee to advocate their views and protect their interests equally. The U.S. could do this by announcing that it would honor both the Agreed Framework and the Mutual Defense Treaty on an equal basis.

This policy could let the U.S. achieve most of its goals on the Korean peninsula. First, the U.S. would enhance its security and increase regional stability. By making timely shipments of heavy fuel oil and meeting the energy needs of the DPRK, the U.S. would honor the Agreed Framework. By fostering the ROK's role in KEDO the U.S. would address the DPRK's energy needs and create the dialogue necessary for reunification. Both of these measures would stop the DPRK's nuclear weapons program and minimize the DPRK's "Squeaky Wheel" negotiating tactics. The DPRK would not "Squeak" if it felt that it was obtaining everything the U.S. promised in the Agreed Framework.

Second, this policy would help the U.S. promote democracy on the Korean peninsula. By recognizing what the ROK and the DPRK wanted from the Agreed Framework and KEDO, the U.S. could foster ROK legitimacy in DPRK eyes. If the DPRK felt that it was being treated with respect and was getting what it "is owed" from

the Agreed Framework, then it would be more receptive to the ROK's wish to increase economic infrastructure on the peninsula. This infrastructure could serve as the basis for moderating the DPRK's anti-ROK rhetoric and help form a dialogue across the demilitarized zone. KEDO could serve as a benign Trojan Horse for the U.S. and the ROK to introduce more moderate ways into the DPRK.

Third, this policy could create increased U.S. economic opportunity on the peninsula. The Agreed Framework would address the DPRK's economic and energy problems. This would help the DPRK avoid collapse and develop infrastructure on the peninsula. The ROK's role in KEDO would also help develop the DPRK's economy and create infrastructure on the peninsula where there was none. Both of these facts would enhance the economic ties between the DPRK and the ROK. The U.S. would benefit from not having to bail out the DPRK economy single-handedly, but this could only be accomplished if the DPRK trusted U.S. intentions. If the U.S. did not state its intentions with respect to the Agreed Framework and KEDO, then the DPRK would have no reason to trust the United States. If the U.S. chose to state its intentions and mediate the conflict, then trust would be built and the U.S. would achieve all of its goals on the Korea peninsula.

### **3. Takeover**

A U.S. policy to take over the Agreed Framework would exacerbate an already tense situation on the Korean peninsula. This policy would involve the U.S. taking control of both the Agreed Framework and KEDO to hold all parties to their obligations through diplomatic and military pressure. The U.S. would pressure the ROK and Japan into paying \$1 Billion towards its share of the light water reactor project. The DPRK would be forced to cease its nuclear ambition, submit to inspections, and open talks with the ROK. Tensions on the peninsula would be renewed and the DPRK would be threatened by perceived U.S. hegemony.

This U.S. policy option does not allow the U.S. to attain its goals on the Korean peninsula. First, the U.S. would neither increase nor decrease its security. The heavy hand of the United States would irritate the ROK and Japan. Furthermore, the ROK would feel that this U.S. action threatened the "Sunshine Policy" by putting the DPRK on the defensive. The DPRK would accept U.S. energy aid under the Agreed Framework, but would hedge its bets in anticipation of the entire process falling apart. The DPRK would probably covertly restart its nuclear-weapons program in response to U.S. pressure to comply with the Agreed Framework. The PRC would question U.S. motives to take such provocative actions on the peninsula and further destabilize the situation.

Second, the U.S. could not foster democracy under this policy option. To foster democracy the U.S. should show the legitimacy of the ROK to the DPRK in an effort to encourage the DPRK to soften its defensive stance. The U.S. takeover policy would create such animosity on the peninsula that neither side could let its guard down to negotiate or have meaningful dialogue. Also, a U.S. heavy hand would cause the DPRK to ignore any ROK diplomatic advances through KEDO or the "Sunshine Policy." The chance for dialogue through KEDO would be lost.

Third, this policy would decrease U.S. economic opportunities on the Korean peninsula. The animosity created by this heavy handed U.S. approach would push the DPRK further into a defensive posture. The DPRK would not be receptive to the ROK's "Sunshine Policy" because the DPRK would return to its autonomous nature. Any chance to develop ROK-DPRK government ties would be threatened by a probable DPRK economic collapse. Although it might be argued that this U.S. policy would cause the DPRK to open up instead of face certain economic collapse, the DPRK's most likely response would be to close its doors, to accept only non-binding support, and to survive to fight another day. A takeover policy would not allow the U.S. to achieve its security, democracy, or economic goals on the peninsula.

#### **4. Pro DPRK**

This U.S. policy option is highly unlikely, but is nevertheless being considered here for the purpose of academic rigor. This policy would involve scrapping the U.S.-ROK 1954 Mutual Defense Treaty and fully supporting the DPRK to get it to stop its nuclear weapons program. The U.S. would also have to convince Japan and the ROK to accept the DPRK's new role as a regional ally. Furthermore, the PRC would have to be satisfied with the U.S. explanation that this alliance with the DPRK in no way signals a U.S. motivation to challenge the PRC's "rightful" status in Asia.

A pro-DPRK policy by the U.S. would not allow the U.S. to achieve its goals on the Korean peninsula. First, this policy would not enhance the security of the United States. With both the ROK and Japan on the defensive and the PRC questioning U.S. intentions, the situation on the Korean peninsula would become volatile once again. The Korean conflict could be renewed, the possibility for reunification could decrease, and DPRK nuclear brinkmanship would be validated.

Second, the U.S. could not promote democracy on the Korean peninsula with this policy option. By scrapping the U.S.-ROK Mutual Defense Treaty, the United States would fail to foster the legitimacy of the ROK in the DPRK's eyes. It would undermine its credibility as a trustworthy ally. It would destroy the possibility of ROK-DPRK talks because the DPRK would have the unilateral relationship with the U.S. that it has always wanted.

Third, this U.S. policy would decrease U.S. economic opportunity on the Korean peninsula. Although the U.S. would be in a position to help the DPRK develop its economy and avoid economic collapse, it would destroy any ROK-DPRK economic ties. The Agreed Framework would remain intact, but the light water reactor contract and KEDO would fail because the DPRK would have a bilateral U.S. relationship. The DPRK could simply demand that the U.S. provide the light water reactors, thus effectively disrupting any ROK-DPRK economic ties that might develop from KEDO and the

“Sunshine Policy.” A pro-DPRK U.S. policy would not allow the U.S. to achieve its goals on the Korean peninsula.

## **5. Pro ROK**

The U.S. might try this policy option if it felt that a return to its traditional role on the Korean peninsula was worth pursuing. This policy would return the situation to a simple us-versus-them scenario. The conflict on the peninsula would be renewed as the U.S. built up its military in the region. The ROK might be satisfied with returning to its traditional role if it thought that the untraditional “Sunshine Policy” and KEDO were not working to penetrate the DPRK. Japan could easily return to vilifying the DPRK after the DPRK’s recent provocative missile test. The PRC would be forced to choose a side of the conflict. The DPRK would be economically isolated.

This return to traditional U.S. policy would not allow it to accomplish its goals on the Korean peninsula. First, the U.S. would neither enhance nor weaken its security on the peninsula. While the Agreed Framework would be put in jeopardy for more robust support of the Mutual Defense Treaty, it would still remain solvent. The DPRK could not afford to discard the economic benefits of the Agreed Framework just because the U.S. retreated to its old role on the peninsula. Both halting the DPRK’s nuclear weapons program and moving the peninsula towards reunification would be set back but not destroyed.

Second, the U.S. could not promote democracy through this pro-ROK policy. The Korean conflict would be started anew. The legitimacy of the ROK would be undermined as the U.S. took the ROK under its protection. DPRK-ROK ties could not be fostered in a hostile environment. U.S. credibility would be tarnished if it appeared to back out of the Agreed Framework. Furthermore, the U.S. non-proliferation regime would be jeopardized if the DPRK considered restarting up its nuclear weapons program.

Third, the U.S. could not increase economic opportunities with a pro-ROK policy. As previously stated, the legitimacy of the ROK would be undermined if the U.S.

returned to its traditional role on the peninsula. The credibility of the "Sunshine Policy" would be questioned by the DPRK as it refocused its efforts on the United States. While the DPRK would not refuse the economic benefits of the Agreed Framework, nor would it let the U.S. and ROK interfere with its economy, even if that meant near economic collapse for the DPRK. A pro-ROK policy by the U.S. would only threaten the chances of the U.S. achieving its security, democracy, and economic goals on the Korean peninsula.

## **6. Guarantee**

This U.S. policy option would be a variation on the mediation alternative. The U.S. could choose to guarantee both its treaty obligations with the ROK and its contractual obligations with the DPRK on an equal basis without fully participating in the Agreed Framework and KEDO. In this manner the U.S. could try to create an atmosphere where the ROK and the DPRK would be forced to interact. The U.S. would continue to place its interests first, but would not use military or diplomatic pressure to extort compliance from the participants. This policy could antagonize the DPRK, alienate the ROK, or trouble Japan. This policy would also tend to elevate the DPRK's bargaining position relative to the ROK. The Korean conflict might continue or might resolve itself through dialogue.

This policy partially helps the U.S. in attaining its goals on the Korean peninsula. First, the security of the U.S. would neither be enhanced nor threatened by this policy option. On one hand the U.S. could still use the Agreed Framework to stop the DPRK's nuclear ambition as long as the DPRK wishes to comply. The ROK could still use KEDO to engage the DPRK in meaning dialogue. The Korean peninsula could still move towards reunification as long as both sides wished to move in that direction. On the other hand, the DPRK might try to use its new position of power on the peninsula to extort more economic support from the U.S. and the ROK.

Second, the U.S. could continue to promote democracy on the Korean peninsula using this policy. The Agreed Framework and KEDO would still remain intact and would

continue to function as a way to foster dialogue between the ROK and the DPRK. The DPRK might even allow more economic interaction because of its new position of power relative to the ROK. In either case, the U.S. could remain engaged on the peninsula, foster the legitimacy of the ROK, and maintain the dialogue between the ROK and the DPRK.

Third, the U.S., through this policy, would be able to achieve its goal of increased economic opportunity on the Korean peninsula. Both the Agreed Framework and KEDO would help develop the DPRK economy and help the DPRK avoid an economic collapse. Also, the DPRK would continue to accept economic support from the ROK as long as it came through KEDO or the "Sunshine Policy." In either case, the dialogue between the DPRK and the ROK would be maintained at an economic level. If the U.S. were to guarantee both the DPRK and the ROK, then the U.S. could partially fulfill its security, democracy, and economic goals on the Korean peninsula.

#### **7. Disengage**

This U.S. policy option would involve the United States pulling out of the region while still honoring the Agreed Framework with the DPRK and the Mutual Defense Treaty with the ROK. Owing to the extent of the Agreed Framework and its surrounding documents, it would be nearly impossible for the U.S. to remove itself completely from the region. To execute this policy, the U.S. would have to continue heavy fuel oil shipments, lead the consortium to build the light water reactors, and fund its portion of the light water reactor project. Also, the U.S. would have to shift the Agreed Framework from a U.S.-DPRK relationship to a ROK-DPRK dialogue. The U.S. would have to cease its economic relationship with the DPRK, limit its involvement with regional politics, and become isolationist in nature to activate this disengagement policy-option.

A U.S. policy of disengagement would not allow it to reach its stated goals on the Korean peninsula. First, the U.S. could not achieve its goal of enhanced security through this policy option. If the U.S. were to disengage from the peninsula, then the Agreed Framework alone could not keep the DPRK from restarting its nuclear weapons program.

Also, the Agreed Framework could not keep the DPRK from continuing its "Squeaky Wheel" approach to foreign-policy. It has taken more than the Agreed Framework and KEDO to keep the North Korean nuclear genie in the bottle. The U.S. has made numerous diplomatic missions to Pyongyang and pledged large amounts of economic aid to the DPRK. If the U.S. were suddenly to back out of the region, then all of the extra incentives for the DPRK to abstain from its nuclear appetite would be gone.

Second, the U.S. could no longer promote democracy on the Korean peninsula if it were to disengage from the area. It is U.S. participation in the negotiations as required by the DPRK that has brought the process this far. If this U.S. were to back out, then it could no longer foster the legitimacy of the ROK in the DPRK's eyes. The DPRK would not talk bilaterally to the ROK. Any possibility for ROK-DPRK dialogue would be destroyed. The U.S. would undermine its own international credibility and promote the DPRK's nuclear brinkmanship.

Third, if the U.S. were to disengage from the peninsula, then it could not increase economic opportunities on the Korean peninsula. As a necessary part of disengagement from the peninsula, the U.S. would have to refrain from economically supporting the DPRK in any way except as specified in the Agreed Framework. The U.S. would have no chance either to help develop the North Korean economy or to enhance ROK-DPRK economic ties. The "Sunshine Policy" might exist in a less effective form, but the doors to the DPRK would close as it nears economic collapse. The DPRK would most likely turn to its traditional benefactor and ask the PRC for economic help. Both the U.S. and the ROK would lose the chance to work with the DPRK economically to solve its problems. A disengagement policy by the U.S. would not allow it to attain its security, democratic, or economic goals on the Korean peninsula.

### C. SUPPORT LEVEL / ACTOR SUPPORT MATRIX

Table 8 summarizes the qualitative analysis of each actor's goals and U.S. foreign-policy options from Chapters IV and V.<sup>78</sup>

Policy Option	Goal	Actors				
		PRC	Japan	DPRK	ROK	U.S.
Status Quo	1	+	+	0	0	+
	2	+	0	0	0	0
	3	+	0	+	+	0
Mediate	1	0	+	0	+	+
	2	+	+	0	0	+
	3	+	+	-	+	+
Takeover	1	-	-	-	-	0
	2	-	0	0	0	-
	3	-	0	-	-	-
Pro DPRK	1	0	-	0	-	-
	2	0	-	0	-	-
	3	0	-	0	-	0
Pro ROK	1	-	0	-	+	0
	2	-	0	-	0	-
	3	-	+	-	-	-
Guarantee	1	0	0	0	0	0
	2	0	0	+	-	+
	3	+	0	+	0	+
Disengage	1	0	0	0	-	-
	2	-	-	+	-	-
	3	-	-	+	0	-

**Table 8. Summary of Qualitative Analysis of Actor's Goals.**

<sup>78</sup> It must be pointed out that the goals of each actor are labeled one, two, and three for accounting purposes, but this does not in any way indicate that the actors' goals are somehow related. A correlation between the actors' goals is not necessary because it is the amount of support for each U.S. policy option that influences the choice of the best option.

#### **D. LEVEL OF SUPPORT MATRIX ANALYSIS**

A histogram has been used to pick the U.S. policy option with the greatest amount of positive support. In other words, the U.S. foreign-policy option that exhibits the greatest ability for all nations to achieve their goals on the Korean peninsula will be indicated by the greatest amount of positive ratings. From the results (Table 8), a histogram can be constructed (Table 9). A histogram simply tallies the results by frequency of observation. It is one of the best ways to view a large number of data as a whole to make general inferences. Clearly from the histogram, the U.S. foreign-policy option to mediate gives the most positive (10) results, while minimizing the neutral (4) and negative (1) results.

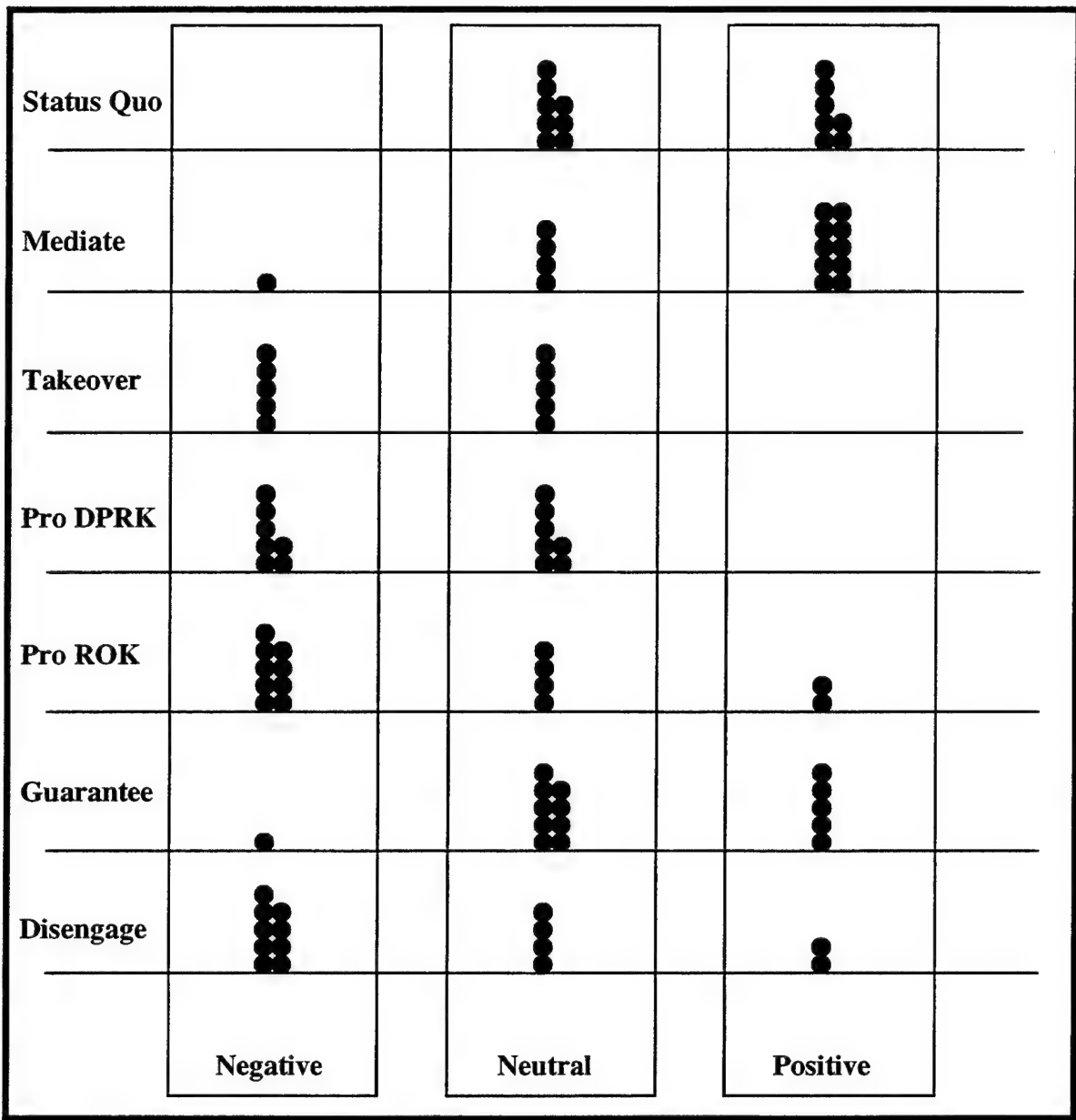


Table 9. U.S. Policy Option Analysis Histogram.



## VIII. RECOMMENDATIONS AND CONCLUSION

### A. RECOMMENDATIONS

While the status quo U.S. policy option is ambiguous enough to allow the U.S. and the other nations political maneuvering room, it does not allow all nations to achieve the greatest amount of goals on the Korean peninsula. This maneuvering room muddles the Agreed Framework, allows the DPRK to continue its "Squeaky Wheel" negotiating style, fails to build confidence in allies, and continues the disconnection between the ROK and the DPRK. Because the status quo policy involves the option of plausible deniability for the U.S., neither the ROK nor the DPRK will ever be convinced that the U.S. is serious about committing to conflict resolution.

The best option for the U.S. is to mediate the Korean peninsula conflict. The mediate policy produces the greatest ability for nations to achieve their goals on the Korean peninsula and it has the highest frequency of positive ratings. The U.S. should mediate the conflict for five reasons.

First, mediation would legitimize the ROK position at the bargaining table. The ROK would be able to talk as an equal with the DPRK. Second, the conflict would only be resolved through ROK-DPRK negotiation. If neither side talks, then the stalemate would continue, the North might collapse from economic disaster, and the South would be stuck with the bill. Neither side wants this result. Third, mediation would allow the U.S. to help stabilize the DPRK while not alienating the ROK. The U.S. could still honor the Mutual Defense Treaty with the ROK while providing the North with heavy fuel oil, light water reactors, and other incentives. Fourth, the Agreed Framework would remain intact. The ROK would have the contract for the light water reactor project and the DPRK would have its bilateral U.S. relationship. The ROK would still have the opportunity to engage the DPRK. The DPRK would still have the ability to talk bilaterally to the U.S.

without ROK interference. Fifth, the U.S. would be able to protect its interests by remaining engaged on the Korean peninsula.

The U.S. should change its role to mediation and state this openly to the international community, the ROK, and the DPRK. The longer conflict resolution takes, the more likely it is for the DPRK to explode politically through nuclear-weapons development. The DPRK might also implode economically and collapse, dragging the ROK down with it. By continuing its ambiguous policy of not completely honoring the Agreed Framework, the U.S. risks prolonging a potentially dangerous conflict on the Korean peninsula.

## **B. U.S. FUTURE POLICY IN ACTION**

The U.S. cannot merely announce that it is going to change its policy with regard to the Korean peninsula and expect something to happen. The U.S. should take certain calculated steps to ensure that both the ROK and the DPRK understand what the U.S. is doing and why the U.S. is doing it. There are six steps that the U.S. should take to change its Korean policy from status-quo-ambiguity to engagement-through-mediation. First, the U.S. should state that it is making the change. All too often, it is impossible to interpret U.S. intentions.

Second, the U.S. should execute the Agreed Framework in good faith. It is a contract, and the U.S. Congress has to accept that. Future U.S. Presidents should also understand that the United States has made a promise to the DPRK through the Agreed Framework, and that promises should be kept. Heavy fuel oil shipments should be timely. The light water reactors should be completed. DPRK concerns should be addressed.

Third, the U.S. should assure the ROK that it would neither break the Mutual Defense Treaty nor advance any DPRK need for the sole benefit of the DPRK. While it is

necessary to engage the DPRK and support some of its ideas, this should not be done at the expense of the U.S. strategic partnership with the ROK.

Fourth, the U.S. should recognize both Koreas, acknowledge that it has a two-Korea policy, and move towards a one-Korea policy. The U.S. should understand that the decisions that it sees as exclusive to the ROK or exclusive to the DPRK are really pan-peninsular decisions that affect the reunification of the people.

Fifth, the U.S. should reiterate its guarantee to the DPRK that regardless of ROK, Japanese, or European Union support, it will honor the Agreed Framework and KEDO. The DPRK will get the light water reactors and the heavy fuel oil even if the U.S. has to pay for the contract entirely on its own. That is the cost of a promise. To do any less would destroy U.S. international credibility and jeopardize any chance to stop the DPRK nuclear weapons ambition peacefully.

Finally, the U.S. should ensure that the PRC and Japan understand their roles in Korea's reunification. U.S. action on the peninsula should not threaten the PRC or Japan. The U.S. should assure the PRC that it does not have territorial ambitions on the Korean peninsula. Furthermore, the U.S. should make it clear to the PRC that it will not challenge the influence of the PRC on the Korean peninsula. The U.S. should assure Japan that this change in U.S. policy towards the Korean peninsula would help to limit the possibility of provocative action by the DPRK. Furthermore, the U.S. should assure Japan that this change in policy would not threaten their political interests on the Korean peninsula.

## **C. CONCLUSION**

The U.S., the ROK, Japan, the PRC, and the DPRK must acknowledge the Korean conflict. Each actor must know and honor its treaty and agreement obligations. The U.S. should state that its role in the Korean conflict is that of mediator. It can honor its security obligations with the ROK, while also fulfilling its contract to the DPRK as stated in the

Agreed Framework. The U.S. Congress should fund the heavy fuel oil shipments to the DPRK. The U.S. should assure the DPRK that the light water reactors will be completed.

The ROK should continue its "Sunshine Policy" under the light water reactor project and use KEDO to create a high-level dialogue with the DPRK. The ROK should fund the light water reactor project to its fullest to assure the DPRK of its honorable intentions. The DPRK should stop its nuclear weapons program and accept the economic support of the U.S. and the ROK, even with the knowledge that increased contact with the South may lead to a regime change. Japan should continue to fund its portion of KEDO and not overreact to the DPRK's brinkmanship negotiating tactics. The PRC should understand that the U.S. only wishes to end the DPRK's nuclear ambition and set up the possibility for a soft landing by the DPRK. With this in mind the U.S. should consider inviting the PRC into the Agreed Framework. The PRC is the DPRK's traditional supporter and ideological associate, and may have a greater influence over the actions of the DPRK.

A relatively long and peaceful change is much preferred to the violent destruction of government by outside forces. These outside forces can be political, military, or economic. All parties must appreciate the effects of the Asian economic crisis and accept its potential to delay the timeline for completion of the Agreed Framework obligations. The goals of the Agreed Framework and KEDO are not a reunified Korea but are to end the DPRK's nuclear ambition and create a Korean peninsula where trust is built so that a peaceful resolution to the Korean conflict might occur. This can only be accomplished if all parties honor their agreements and contractual obligations and openly state their intentions as to the future of Korean security. The way for the U.S. to do this is to change its role on the Korean peninsula to that of a mediator and clearly state this to all concerned parties.

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